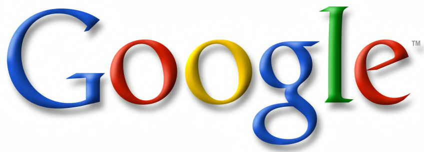


ANNALS

OF THE

HONORABLE EAST-INDIA COMPANY.

VOL. III.

1688-89 TO 1707-8.

J. Dickinson

ANNALS

OF THE

HONORABLE EAST-INDIA COMPANY,

FROM THEIR

ESTABLISHMENT BY THE CHARTER

OF

QUEEN ELIZABETH,

1600,

TO

THE UNION OF THE LONDON AND ENGLISH

EAST-INDIA COMPANIES,

1707-8.

By JOHN BRUCE, Esq. M. P. and F. R. S.
Keeper of His Majesty's State Papers, and Historiographer to the Honorable East-India Company.

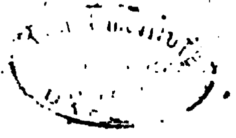
VOL. III.

London:

PRINTED, BY AUTHORITY OF THE HONORABLE COURT OF DIRECTORS,
By Cox, Son, and Baylis, Great Queen Street;
And published by Black, Parry, and Kingsbury, Booksellers to the Honorable East-India Company, Leadenhall Street.

1810.

[Entered at Stationers' Hall.]



TO THE

HONORABLE THE COURT OF DIRECTORS

OF THE

UNITED COMPANY OF MERCHANTS OF ENGLAND TRADING
TO THE EAST-INDIES,

THE

ANNALS

OF THE

HONORABLE EAST-INDIA COMPANY

FROM THEIR

ESTABLISHMENT BY THE CHARTER

OF

QUEEN ELIZABETH,
1600,

TO

THE UNION OF THE LONDON AND ENGLISH
EAST INDIA COMPANIES,
1707-8;

IS MOST RESPECTFULLY SUBMITTED,

BY THEIR MOST OBEDIENT

AND FAITHFUL SERVANT,

JOHN BRUCE.

East-India House,
4th June, 1810.

PREFACE.

THE Annals of the East-India Company, from their Establishment in 1600, to the Union of the London and English East-India Companies, in 1707-8, form a subordinate branch of the political and commercial History of England, and will unfold the rise and progress of the greatest commercial Association, which has appeared in any country, or in any age.

The evidence upon which this Review of East-India Affairs has proceeded, has been drawn from documents preserved among His Majesty's Archives, in the State-Paper Office, and from the Records of the Company, in the Indian Register Office; and, being printed under the authority of the Honorable Court

Court of Directors, is submitted to them, to the Proprietors of East-India Stock, to the Legislature, and to the Public.

The events which this branch of commercial History ascertains, will explain the basis of the East-India Company's Rights, under their Charters, and of the Rights acquired during the early periods of their exclusive privileges of trade; and the knowledge of them may be useful to the Legislature, when these privileges shall again become a subject for deliberation and decision, and tend to fix the opinions of the Public, on a question of great national importance.

In the Introduction are traced the rise and progress of the Portuguese and Dutch establishments in the East-Indies; the leading characters of the Asiatic Sovereignties in the countries within the limits assigned to the London East-India Company; and the political and commercial relations, between England and the Maritime Powers of Europe, during the period when the direct trade, between

between England and the East-Indies, was first attempted and established.

Chapter I. will comprehend the rise and progress of the London East-India Company, from the Charter of Queen Elizabeth, in 1600, to the Restoration of their Charter, by King Charles II., in 1660-61; and will afford proofs of the enterprize and perseverance of this Company, in forming a valuable trade to the realm, and in preserving that trade, under the shifting and depressed aspects of the English Government.

Chapter II., after tracing the political and commercial relations of England, from the Restoration, in 1660-61, to the Revolution, in 1688-89, and the events affecting the Indian Sovereignties, in the countries in which the London East-India Company had established Factories, or seats of trade, will discover, in a similar manner, the perseverance of this Company, in maintaining their trade and privileges, and their expensive and hazardous efforts, to extend the commerce and navigation of the realm.

Chapter

CHAPTER III., after referring to the political and commercial relation sof England, from 1688-89, to 1707-8, will discover the sources and characters of the successive speculations for an open, and for a separate trade, which terminated in the establishment of a Second, or the English, East-India Company; and will bring under notice, the facts which satisfied the Legislature, and the Public, of the necessity of entrusting the East-India trade, to the exclusive management of the United Company of Merchants of England trading to the East-Indies.

To the Annals of each of these periods are subjoined Results, affording, from authentic evidence, the progressive aspects of the Company's Rights, under their Charters, to their Factories and Settlements, acquired by authorized purchase, or by grants from the Native Princes and States; and of the Rights conferred on them by the Legislature, and enjoyed as valuable privileges of trade. These real Rights of the Company, under their successive Charters, have been known, in their proceedings at home and abroad, under the general description of "*Dead Stock*," opposed

to

to the large amounts vested in India Stock, in Shipping, in Exports, and in Imports, known under the opposite description of "*Quick Stock.*"

For more than a century, or from 1707-8 to the present time, the East-India Company have been recognized, by a series of Acts of the Legislature, to have a real property in their Chartered Rights, which are perpetual, and with succession; though it will again be for the wisdom of Parliament to decide, whether their exclusive privileges, founded on the solid basis of the experience of two centuries, shall be prolonged to them, or whether they must give way to exploded, or to specious, but hazardous, theories of commerce.

In submitting this Work to the Honorable the Courts of Directors and Proprietors of the East-India Company, I embrace this opportunity to express my acknowledgements to the Right Honorable the Earl of Liverpool (late His Majesty's Principal Secretary of State for the Home Department) for his permission to connect such information as could be collected

lected from the State Papers, with that which has been preserved in the Records of the Honorable East-India Company.

I have, also, to express my obligations to Mr. Jackson, the Keeper of the Indian Register Office; from whom I have received the most valuable communications; and to Mr. Lemon, of the State-Paper Office, who, from his facility in reading and transcribing ancient Manuscripts, has afforded me important assistance in the examination of the numerous Documents on which this work has been founded.

CHAPTER III.

REVIEW OF THE ANNALS OF THE HONORABLE EAST-INDIA COMPANY, FROM THE REVOLUTION, IN 1688-89, TO THE UNION OF THE LONDON AND ENGLISH EAST-INDIA COMPANIES, IN 1708.

INTRODUCTION.

CONTENTS.

The affairs of the East-India Company, after the Revolution, influenced more by political events in Europe, than by events in the Indies. ...... Comparison of the circumstances of the East-India Company, in the preceding reigns, and at the accession of King William...... Review of the political and commercial relations of England, during the reign of King William and Queen Mary...... Relative circumstances of England, and of the European States, at the formation of the Grand Alliance...... Treaties formed to support this Alliance. ...... General Congress at the Hague...... Reference to the events

CHAP. III. Introduction.

events in the general war in Europe...... First appearance of the negotiations which terminated in the Treaty of Ryswick...... Subsequent alliances of England, founded on this treaty, to prevent the preponderance of France, by an indirect annexation of Spain to that monarchy...... First Partition Treaty...... Second Partition Treaty...... Louis XIV., on the death of the King of Spain, asserts the claim of the Duke of Anjou to that Crown...... Treaties formed by King William, on this event, to preserve the independence of Europe...... Political and commercial relations of Queen Anne, during the first five years of her reign...... The Queen continues the measures of King William, and conforms to the Grand Alliance...... Treaties between England, Portugal, the Archduke Charles (as King of Spain), and the States General, with the same object...... Treaty of commerce between England and Portugal...... Reference to the events in the progress of the general war...... Effects intended to be produced in trade, by the Treaty of Barcelona;...... Reference to the sketch, in the preceding Chapter, of the political and commercial characters of the Powers in the East-Indies, during the last twenty years of the reign of Aurungzebe.

INTRODUCTION.

Introduction.

The affairs of the East-India Company, after the Revolution, influenced more by political events in Europe, than by events in the Indies.

IF the events, detailed in the second period of the Annals of the London East-India Company, arose chiefly out of the wars, between the greater Powers in Hindostan, the events, in the period which we are about to review, will be found to have originated, chiefly, in the political relations produced in Europe, by the change in the Government of England, under King William and Queen Mary. These events occurred, at the time when the empire of Aurungzebe was in its greatest vigour and extent, and they close, when the death of that Mogul left Hindostan, without any paramount power, and when the relations of the European nations, trading to the East-Indies, were so completely changed, that they led to treaties, political and marine, for settling the Balance of Power, and of trade.

Comparison of the circumstances of the East-India Company, in the preceding

It will, therefore, be indispensable, in looking at the circumstances in which the London Company were placed, when opposed by a domestic rival, or the English Company, and when this rival was ultimately compelled to unite its interests with them

CHAP. III.
Introduction.
reigns, and at the accession of King William.

them, to trace the political and commercial relations, between England and the Maritime Powers of Europe, that we may discover the sources of the delegated authority, which either of those Companies could exercise, at the period of their Union.

During the reigns which preceded the Revolution in England, the sovereigns acted, sometimes to preserve the political balance of Europe, against the encroachments of France, at other times, to strengthen the preponderance of this monarchy:—the periods between these extremes of conduct were short, and the effects, happily, precarious.

The conduct, of Charles II. and James II., favoured the French schemes of aggrandizement, and gave to that monarchy opportunities to add districts to each of its frontiers, particularly to stretch out its ancient limits into Flanders and Brabant, and to narrow the barrier between France and the United States of the Netherlands. The danger from this innovation became alarming, for it was foreseen, that the subjugation of the States General would give to France the command of the coasts, from which its armaments and its shipping might acquire the control, if not the possession of the commerce, in the Narrow Seas, and of the North of Europe.

Review of the political and commercial relations of England, during the reign of King William and Queen Mary.

The elevation, therefore, of King William and Queen Mary to the throne of England, is rather to be considered as an event, which the conduct of Charles II., in the last Dutch war, and the obsequiousness of James II. to Louis XIV. occasioned, than as the result of ambition in the Prince of Orange, or of versatility in the English character.

This

The Revolution, at first, produced rather unfavourable effects on the commerce of the London East-India Company, and, in fact, for a time, continued to be viewed with anxiety by the Directors;—this impression arose from a jealousy of the Dutch Company, which led to an opinion that the new Government in England might favour, rather than check the encroachments of that people. The London Company did not, at this juncture, anticipate, that a new rival would arise in England, more formidable to their rights, than the Dutch had been to their trade; and yet, in the sequel, this event will be found to be the true source of that union of mercantile interests, in the trade to the East-Indies, which more positively depressed the schemes of the Interlopers, than either authority, or a sense of national interest, had hitherto been able to effect; for it terminated in the establishment of *The United Company of Merchants of England, trading to the East-Indies.*

A retrospect of the political and commercial state of Europe, therefore, will lay open the real sources of the exertions in England, to acquire and to preserve a proportion of the Asiatic trade, and to resist that power, which the consolidation of his empire in the East gave to Aurungzebe.

In bringing into view, in the most concise manner, the political and commercial relations of Great Britain, with the European Maritime Powers, from the Revolution to the establishment of the United Company, we shall discover the foundation of the claims of the London East-India Company, for protection, from the Crown and from the Legislature, and the

CHAP. III. Introduction.

the claims of the new Adventurers in the East-India trade, to become a more efficient East-India Company, possessed of rights founded on an Act of the Legislature.

Relative circumstances of England, and of the other European States, at the formation of the Grand Alliance.

During this eventful period, it will appear, that the treaties, between Great Britain and the European States, were directed to two great objects, an opposition to the French scheme of universal monarchy, and the combination of resources, to resist this common enemy of their independence and trade;—hence, a mere reference to those public transactions will explain the sources of the politics of King William, to strengthen the one, and to combine the other.

At the time when the Prince of Orange connected his authority with the general sense of the English nation, and brought it to be a party in the Grand Alliance, Louis XIV. was successfully invading Germany, laying waste Bavaria and the Palatinate, and apparently breaking down the outposts of the disjointed Germanic Confederacy; but, in these aggressions, he did not foresee, that the weight of England and of Holland would be thrown into the scale, against France; or that a new alliance would arise, to check his progress, on the Flemish and German frontiers of his dominions.(1)

Treaties formed to support this Alliance.

Spain, in this political situation of Europe, was governed by Philip IV., whose incapacity threw obstacles in the way of the

(1)—Original Ratifications, by the Emperor and by the States General, of the Act of Admission of King William, as a Party in the Grand Alliance, concluded at Vienna, 12th May 1689, between the Emperor and the States General. (Preserved in the State Paper Office, Whitehall.)

the general alliance against France, notwithstanding the able administration of Grana and Castaniga, his Governors of the Low Countries, and the talents of Ronquillo, his Ambassador in England :—hence the elevation of King William to the Throne was an event, equally important to Spain, to the Netherlands, to Holland, and to Great Britain. Under these circumstances, the Dutch became sensible, after the French had taken Luxemburg, that the Treaty of Nimeguen was only a temporary expedient of France, and that they must either support the measures of King William, and levy troops from Brandenburgh, Hesse, &c., to form an efficient army to act with the Confederates, in repelling the invasions, by France, of the countries bordering on their narrow territority, and of that territory itself, or expect subjugation; for the French had already published a manifesto, on the 28th October 1688, which was deemed by the States equivalent to a declaration of hostilities, and which drew from the States, a formal Declaration of War against France, in March 1689.

On the 13th April 1689, the Elector of Brandenburgh entered into the alliance against France, and prohibited supplies of naval or military stores being furnished, from the countries under his government, to the enemies of the Germanic liberties.(1)

On the 29th April 1689, England and Holland formed a Marine Treaty against France, on the basis of the treaty of the 3d March

(1)—Copy of the Elector of Brandenburgh's Edict, relative to the War with France, 3d/13th April 1689. (State Paper Office.)

3d March 1678, and agreed to unite their fleets in the Mediterranean, the Irish Channel, and the North Seas.(1)

On the 3d May 1689, the King of Spain declared war against France,(2) and on the 7th May, King William also declared war, on the grounds of the infraction of the treaty regarding Newfoundland, and the seizure of English property and subjects in America.(3)

On the 12th May 1689, the Emperor and the States General formed an Offensive and Defensive Treaty of Alliance against France, by which they stipulated, that they would employ their joint forces to repel its aggressions, whether on the Empire, or on the United Provinces, and continue hostilities, till the French King should be brought to the observance of the terms of the Treaties of Osnaburgh, Munster, Westphalia, and the Pyrenees;—the States General invited King William to accede to this Treaty, which accession, in the most formal manner, was dated 9th September 1689.(4)

On the 22d August 1689, the King and States General, by treaty, adopted the most vigorous measures, regarding the trading

(1)—Original Treaty for the combination of the English and Dutch fleets against France, 29th April 1689. (State Paper Office.)

(2)—Tindal's Continuation of Rapin, vol. i. page 89.

(3)—Copy of King William's Declaration of War against France, 7th May 1689. (State Paper Office.)

(4)—Attested Copy of the Treaty of Grand Alliance against France, between the Emperor and the States General, dated Vienna, 12th May 1689.—— Original Ratifications, by the Emperor and States General, of King William's Accession to the Grand Alliance, dated 20th and 23d December 1689. (State Paper Office.)

CHAP. III. Introduction.

trading interests of France, with the object of lessening the resources by which that country could prosecute the war; for it was agreed, that the Dutch and English squadrons should blockade the ports of France; that the subjects of England and Holland should be prohibited from all commerce with that kingdom; that they should seize on all French property found in the vessels of other nations, sailing to French ports, and that such vessels should become lawful prizes. (1)

To strengthen this treaty, a more general one, of Alliance and Defence, was concluded between the King and the States General, on the 24th August 1689, confirming all the treaties, from that of Breda, in 1667, to the treaty prohibiting commerce with France, dated only two days preceding this last treaty.(2)

For the general support of the war, subsidiary treaties were entered into, between the King and the States General, with the Duke of Brunswick Wolfembuttle, the Protestant Cantons of Switzerland, the Duke of Savoy, and the King of Denmark.

General Congress at the Hague.

These events prepared many of the Princes of Europe, by their attendance, personally, or by their Ambassadors, for the Congress held at the Hague, in January 1690-91, at which King

(1)—Original Full Powers from the States General, to negotiate a Treaty with England, 5th August 1689.—— Original Treaty (and Ratification by the States General) between England and Holland, for interrupting the Commerce of France, 22d August 1689. (State Paper Office.)

(2)—Original Treaty (and Ratification by the States General) between England and Holland, for renewal of former Treaties, dated 24th August 1689. (State Paper Office.)

CHAP. III. *Introduction.*

William, in energetic language, laid open the schemes of France for universal subjugation, and brought this illustrious assembly to consent to bring an army of two hundred and twenty thousand men into the field, against the common enemy of the tranquillity and liberties of Europe. (1)

The Elector of Mentz, whose dominions were more immediately exposed to the depredations of the French armies, joined the Grand Alliance, on the 24th April 1691, as did the Elector of Bavaria, on the 3d May 1691. (2)

To prepare the allies for commencing the war, treaties were formed, between England and Denmark, and between Denmark and Holland, to prevent supplies of naval stores being sent to France, from the Baltic; by which Denmark was to be placed upon the same footing, with regard to France, as Sweden had been, that is, that passports were to be given by the Chancery at Copenhagen, to ascertain that the goods (not contraband) were Danish property, and that the Danish ships should not be employed in transporting naval stores, from one port in France to another. (3)

The

(1)—Tindal, vol. i. page 164.

(2)—Original Act of Accession of Anselm Francis, Elector of Mentz, to the Treaty of Grand Alliance, dated 24th April 1691.—— Original Act of Accession of Maximilian Emanuel, Elector of Bavaria, to the Treaty of Grand Alliance, dated 3d May 1691. (State Paper Office.)

(3)—Original Ratification, by Christian V. King of Denmark, dated 19th December 1691, of the Convention concluded at Copenhagen, between England, Holland, and Denmark, relative to the interruption of French Commerce. (State Paper Office.)

CHAP. III.
Introduction.

The measures of King William, in connecting with the Grand Alliance, by treaties, the Elector of Saxony, the Duke of Brunswick Wolfembuttle, the Bishop of Munster, and the King of Denmark, (each of whom were to furnish contingents of troops for the grand army), discover, that the great object of the King was to bring the good sense of the European Powers to view, in its proper light, the importance of preserving the liberties of the Germanic Empire, and those of the Maritime Powers, or England, Holland, and Spain. (1)

To the energy and vigour of the King, at this crisis, may be attributed the division of power between France and the other European Sovereignties, and the placing them in, what has been emphatically termed, a balance :—it was by the preservation of this balance, from copying the political principles of the King, that the Germanic Empire, from its head to its most subordinate chiefs, for a century after the period we are reviewing, maintained its constitution and the States General, and Great-Britain, their influence on the Continent; and might still have continued to maintain them, had the Continental Powers, who were parties in the Grand Alliance, either been true to themselves, or faithful to their engagements with Great-Britain.

Reference to the events in the general

It would be foreign from the Annals of the London East-India

(1)—Original Treaties, and Subsidiary Conventions, between England, the Emperor, the States General, the Elector of Saxony, the Duke of Brunswick Wolfembuttle, the Bishop of Munster, and the King of Denmark; and original Acts of Accession of the latter Powers, to the Treaty of Grand Alliance; dated 23d May, 13th June, 7th August 1694, 18th March 1694-95, 3d December 1696. (State Paper Office).

CHAP. III. *Introduction.* war in Europe.

India Company to enter into any detail of the naval and military events, which occurred in this general war, farther than to refer to them, as the sources of the Treaty of Ryswick, which, by affecting the general commercial interests of England and Holland, remotely influenced the proceedings of the London East-India Company, and of its foreign rivals, (Holland, Portugal, and the beginning commerce of France) in the countries within the Company's limits.

At the commencement of hostilities, and during the first years of the war, the French made considerable conquests in the Low Countries, and had still a more marked superiority in Catalonia and in Italy; but, after the naval victory off La Hogue, in 1692, and when the French Court observed, that the confidence of the Confederates in King William, rendered it impracticable to detach the Allies from each other, by separate treaties, Louis XIV. endeavoured to sound, first in 1693, and next in 1695, the dispositions of the Dutch towards pacification; conceiving, that as their resources depended on trade, they would be more ready to listen to measures for their immediate interests, than to prospects of distant, though of greater safety.

The character of the Dutch, with respect to internal factions, had, however, been altered from what it had been at the Treaty of Nimeguen, because their Stadtholder was become King of England; and the French Court were fully aware, that it would be difficult to withdraw them from the English connexion, though it might be possible, through them, either to discover the

the King's intentions, or to dispose the commercial part of his subjects to a termination of the war.

First appearances of the negotiations, which terminated in the Treaty of Ryswick.

The death of Queen Mary, in 1694, had placed the English and the Dutch in a situation, where the internal tranquillity of both countries depended on the King's life, and the Court of France were aware, that the Grand Alliance rested on the same circumstance. Louis XIV., therefore, from the success which attended the Allies, by the recapture of Namur, in 1695, and from their conquests on his northern frontier, began seriously to think of opening a treaty, and sent M. Callieres to the Hague, with propositions to negotiate, while M. d'Avaux was pressing the King of Sweden to interpose, as mediator, and though not openly, yet sufficiently discovering the intention of Louis XIV., to acknowledge King William as King of England; for the Dutch were allowed to take the opinion of their allies, and, on this basis, the States General consented to treat for peace.

As preliminaries, the States demanded the restitution of Strasburgh and Luxemburg, to which M. Callieres consented, on condition Lorraine should be restored to its Duke. The delay occasioned by these conferences, enabled the French to make a separate peace with the Duke of Savoy, in 1696, and thus to break one link of the Grand Alliance. It was in this state of the belligerent powers, that it was agreed, the King of Sweden should act as General Mediator; Ryswick, a village near the Hague, was fixed on, as the place of meeting, and Lord Pembroke, Lord Lexington, Lord Villiers, and Sir Joseph

CHAP. III. *Introduction.* Joseph Williamson, were appointed Ambassadors, by Commission, dated 16th February 1696-97.(1)

The Treaty of Ryswick was signed on the 20th September 1697, of which the substance is;—the re-establishment of France and England in their respective possessions;—reference to commissioners, of the disputes regarding Hudson's Bay;—France to have re-possession of the places taken in Hudson's Bay by the English;—a declaration, that no assistance should be afforded to the King's Enemies, resident in France;—and the restoration of the King's interests in the Principality of Orange; leaving it to each Sovereign to include his allies within six months.(2)

The Emperor continued to negotiate with France, but on the 30th October 1697, acceded to the Treaty of Ryswick, and accepted Friburgh and Brisac, as an equivalent for Strasburgh.(3)

The King, having re-established peace with the Powers connected with his dominions, and those of the States General, (taking an extensive view of the political interests of the European nations, whose tranquillity depended on the Empire of Germany continuing in a situation to resist any future aggressions of France,) turned his attention to

(1)—(Copy)—Commission and Instructions to the English Plenipotentiaries for negotiating the Treaty of Ryswick, 16th and 23d February 1696-97. (State Paper Office.)

(2)—Original Ratification, dated 3d October 1697, by Louis XIV. King of France, of the Treaty of Ryswick, 20th September 1697. (State Paper Office.)

(3)—(Copy)—King William's Act of Inclusion of his Allies in the Treaty of Ryswick, 18th November 1697. (State Paper Office.)

to the long subsisting wars between Turkey and Germany, that he might place the Emperor of the latter country in circumstances to repel, with effect, the farther encroachments of France, either on his hereditary dominions, or on those of the lesser Princes and States, acknowledging him as their Chief.

To accomplish an object so difficult, as a pacification between the sovereigns of Turkey and Germany, Lord Paget was instructed to offer the mediation of the King and of the States General, through the Grand Vizier, to the Porte:—after long conferences with the ministers of both Powers, the peace of Carlowitz was signed, on the 26th of January 1699, by which the Emperor had ceded to him all his late acquisitions in the war, the Poles got Kaminieck, the Russians obtained Asoph, under a truce of two years, and the Venetians had the Morea, and part of Dalmatia. (1)

Subsequent Alliances of England, founded on this Treaty, to prevent the preponderance of France, by an indirect annexation of Spain to that Monarchy.

Though the Treaty of Ryswick had apparently restored peace to Europe, King William and the States General seemed to have been fully aware (even at the time it was negotiating) that the restless and ambitious projects of France would induce it to attempt farther conquests. As the King of Sweden had been the mediator in the Treaty of Ryswick, the States

(1)—Translation of Letter from the Grand Vizier to King William, relative to his Mediation between Turkey and Germany, 1698.—— Letter from King William to the Emperor of Germany, offering his Mediation between Germany and Turkey, 12th March 1698-99.—— Commission and Instructions to Lord Paget, to act as Mediator in the Negotiation for Peace between Germany and Turkey, dated 15th March 1698-99. (State Paper Office.)—— Tindal's Continuation of Rapin, vol. i., page 396.

CHAP. III. *Introduction.*

States General, as a measure of precaution, formed a Defensive Alliance with that Crown, on the 12th February 1698, to which the King of England was invited to accede:—the Accession of the King is dated at the Hague, 14th May 1698. By this treaty (which was to remain secret) the three Powers stipulated, that each should protect the others dominions and interests in Europe, against any aggression, and that this agreement should be deemed the basis of a more specific treaty, connecting their interests in the most positive and full manner.(1)

It is probable, that this treaty, and the circumstance of its being kept secret, originated in apprehensions of farther schemes of France for conquests in Italy, Germany, and Flanders; for an opinion, at this time, began to prevail, that, in the event of the death of the King of Spain, notwithstanding all the precautions which had been taken at his accession to the throne, Louis XIV. would claim, in right of succession, the Crown of Spain for the Dauphin, and thus concentrate, under one monarchy, the kingdoms of France and Spain, with their dependencies in Europe, and in the Indies;—the Grand Alliance, therefore, to check the aggrandizement of the French Monarchy, and the Treaty of Ryswick, in which the war had terminated, had sufficiently instructed Louis XIV. and his ministers, that an immediate and open avowal of the scheme of

(1)—Original Treaty of Defensive Alliance, between England, Holland, and Sweden, concluded at the Hague, 14th May 1698, with the original Ratifications of King William, and of Charles XI. King of Sweden, dated 26th May and 3d June 1698. (State Paper Office.)

of uniting the two kingdoms of France and Spain under one Sovereign, must again lead to another general alliance, and induce the Imperial Family to forget its dissatisfaction with that treaty, that it might more effectually bring forward its claims on the Crown of Spain, and afford an opportunity, which the general peace gave to Louis XIV., by finesse and intrigues, to realize his intentions.

CHAP. III. *Introduction.*

The French King, thus, foresaw, that an open attempt to acquire the Crown of Spain for his family, under all the circumstances of Europe, would necessarily bring on a general war, for which the resources of France were not prepared.

This politic Monarch, therefore, knowing that King William had established the Balance of Power, granted a commission to the Count de Tallard, on the 19th August 1698, (who was vested also with a commission from the Dauphin) to negotiate a secret treaty, by which, in the event of the death of the Catholic King, Louis XIV. and the Dauphin were to renounce their claims of succession to the Crown of Spain, and to transfer them to the Prince of Bavaria, nephew to the Dauphin, whom failing, to the Elector and to his descendants. This project was intended to deceive the King and the Powers of Europe, but indirectly to place Spain at the disposal of France. King William encouraged this finesse, because it brought Louis XIV. into the dilemma, that if he adhered to it, Europe would be more in safety; if he broke it, a Grand Alliance might again be formed, because the contingent death of the Prince of Bavaria would be more favourable to the claims of the Emperor of Germany; and

CHAP. III. *Introduction.*

therefore appointed the Earl of Portland and Sir Joseph Williamson to treat with the French commissioners. (1)

First Partition Treaty.

The treaty, which was the result of this singular and important negotiation, is, in history, denominated the "*First* "*Partition Treaty*," and in substance is,—that the Dauphin of France, in consideration of renouncing all claims on the Crown of Spain and its dependencies in the Indies, should receive, in full right, the kingdoms of Naples and Sicily;—that the Electoral Prince of Bavaria should succeed to the Crown of Spain, and its dependencies;—and that the Duchy of Milan should be given to the Archduke Charles, the Emperor's second son. (2)

Notwithstanding this apparent arrangement of the affairs of Europe, King William formed a treaty of Defensive Alliance with Sweden, on the 16th January 1700, to which the States General afterwards acceded, bearing in substance,—that the contracting powers not only agreed to defend their respective dominions, but that Sweden would protect the free navigation of

(1)—Original Commissions from Louis XIV., and Louis, Dauphin of France, to Count Tallard, to negotiate with England and the States General, dated 19th August 1698.—— Original Commission from King William to the Earl of Portland and Sir Joseph Williamson, to treat with the French Ministers, dated 21st September 1698. (State Paper Office.)

(2)—Original Treaty between England, the States General, and France, for settling the Succession to the Crown of Spain, denominated the *First Partition Treaty*, with the original Separate and Secret Articles, concluded at the Hague, 11th October 1698.—— Original Ratification of the States General of the First Partition Treaty, 25th October 1698. (State Paper Office.)

CHAP. III. Introduction.

of the Baltic, and Great Britain that of the British Seas, and that this defence was to extend to the dominions and trade of the two nations, both at home and abroad. The object of this treaty was, to maintain the Treaties of Munster, Nimeguen, and Ryswick, for preserving the liberties of Europe. (1)

Second Partition Treaty.

The young Prince of Bavaria, upon whom the succession to the Spanish Crown had been settled, having died on the 6th February 1699, the same motives which led to the *First Partition Treaty*, opened the negotiations for the *Second*:—the leading object was, as in the first treaty, to prevent the kingdoms of France and Spain from being united under the House of Bourbon; an evil suspended, only, by the precarious life of His Catholic Majesty. The *Second Partition Treaty* was signed at London, on the 3d, and at the Hague, on the 26th March 1700, and, in substance, coincided with the First Partition Treaty, with the following additions:—that besides the countries to be given to the Dauphin, as previously enumerated, he was to have the Duchies of Lorraine and Barr;—Milan to be given to the Duke of Lorraine, as a compensation;—and the Archduke Charles to receive the Crown of Spain, and its dependencies, under the same conditions as intended for the Prince of Bavaria.(2)

(1)—Original Treaty of strict Alliance between Great Britain and Sweden, dated 16th January 1699-1700, and original Ratification of Charles XII., King of Sweden, dated 10th March 1699-1700. (State Paper Office.)

(2)—Original Commissions from the King of France to Count Tallard, and from the States General to their Deputies, to negotiate the *Second Partition Treaty*, dated 21st January

CHAP. III. Introduction.

This Second Partition Treaty, though solemnly and publicly ratified by Louis XIV. and the Dauphin, proved to have been a mere deception on the part of the French Court, and it deceived the greatest part of Europe, till the death of the King of Spain, on the 1st November, disclosed all the secret schemes of the Court of France; for, by the will of the Spanish Monarch, the Crown of Spain was left to the Duke of Anjou, the second son of the Dauphin, whom failing, to the Duke de Berri, the third, and the Archduke was to become heir only in failure of these French Princes.

Louis XIV., on the death of the King of Spain, asserts the claim of the Duke of Anjou to that Crown.

When Louis XIV. heard of the death of the King of Spain, he hesitated, for a short time, between the acceptance of the Crown of Spain, for the Duke of Anjou, and an affected adherence to the Partition Treaty; but, in a short time, declared his acceptance of the will of the late King of Spain, and sent the Duke to take possession of the throne, recommending to him the just administration of his government, but never to forget that he was a Prince of France.(1)

The Spaniards, in consequence of the Partition Treaty, though they foresaw that war would be declared against them, by the Emperor, by England, and by the States General, acquiesced in

January 1699-1700, and 26th March 1700.—— Original Treaty between King William, the States General, and Louis XIV. for settling the Succession to the Crown of Spain, denominated the *Second Partition Treaty*, with the Separate and Secret Articles, dated 3d March 1699-1700.—— Original Ratifications, by Louis XIV. and the States General, of the Second Partition Treaty, and of the Separate and Secret Articles, dated 25th March and 9th April 1700. (State Paper Office.)

(1)—Tindal, vol. i, pages 425—428.

in the will; but the Emperor refused to acknowledge it, and it was at this crisis, that the Spanish Netherlands, (the theatre of so many wars and so many sieges,) and the Duchy of Milan, received French garrisons into their towns.(1)

Treaties formed by King William on this event, to preserve the independence of Europe.

Unprepared for so sudden a reverse, either by a military force to resist, or by confederacies to supply this want, the States General wrote to the King of France, acknowledging the Duke of Anjou, as sovereign of Spain and the Netherlands.

In the evening, therefore, of his life, King William saw the danger thickening over the European nations, which it had been the labor of so many years, both as Stadtholder, and as King of England, to avert;—and France, which for two hundred years had struggled to gain possession of the Spanish Netherlands, now acquired them by an incident, prepared to crush the States General, and to render Great Britain, instead of a rival, one of the secondary powers of Europe.(2)

It was in this unforeseen situation of the affairs of Europe, that the King found it indispensable to provide, by an act of the British Legislature, for the succession to the Throne in a Protestant Prince, whose interests would be opposed to those of France, as he foresaw, that the re-establishment of the Stuarts would again render Britain subservient to the aggrandizement of France:—under these circumstances, the King summoned a Parliament, which passed the Act of Succession in the

(1)—Tindal, vol. i. page 431.
(2)—Ibid.......... page 410.

CHAP. II. *Introduction.* the Protestant Line, which received the Royal Assent on the 12th June 1701.(1)

To provide, farther, for the independence of Europe, and to prevent France from acquiring the United Provinces and the North of Germany, a treaty was formed, between England, the States General, and Denmark, dated at Copenhagen, the 15th June 1701, on the basis of the Defensive Treaties of the 3d November 1690, and of the 3d December 1696, which, besides a mutual guaranty of possessions, stipulated the proportion of force which each of the contracting parties were to furnish. To this treaty, the Emperor, the King of Prussia, the House of Lunenburgh, and the Landgrave of Hesse Cassel, were to be invited to accede.(2)

On the basis of this treaty, a more specific Treaty of Alliance, between King William, the States General, and the Emperor, was concluded at the Hague, on the 7th September 1701, which, in substance, bears;—that, in the event of pacific remonstrances proving ineffectual, the contracting parties were to employ their forces, by sea and land, to compel France and Spain to recognize the rights of the Imperial Family to the Netherlands and the Duchy of Milan, and, particularly, to recover from France, the barrier of the Low Countries:—

England

(1)—Lords' Journals, vol. xvi., page 738.

(2)—Original Treaty of Defensive Alliance, and Secret Articles, between England, Holland, and Denmark, concluded at Copenhagen, 15th June 1701.—— Original Ratification, by Frederic IV. King of Denmark, of the Treaty of Defensive Alliance, and Secret Articles between England, Holland, and Denmark, 31st July 1701. (State Paper Office.)

England and the States General, under this treaty, were to take possession of such portions of the Spanish Indies, as each could acquire, and the allies more particularly stipulated, that France should not get possession of the Spanish Indies, or have liberty of commerce in them:—On the 18th February 1702, the King of Prussia acceded to this Treaty of Grand Alliance.(1)

CHAP. II. *Introduction.*

The last political measure of King William, regarding the Continent, was to engage the associated Circles of the Rhine, Franconia and Suabia, to contribute their contingent of sixteen thousand men for the common defence, for which the Maritime Powers, in consideration of the narrow means of some of those Circles, were to furnish them with supplies, to enable the troops of that part of the Empire, to act for the defence of Europe.(3)

The foundations, thus, were laid, for a new alliance; but the parties were changed, Spain being thrown into the scale with France, and new wars in Europe were expected to arise, on the death of King William, which happened on the 8th March

1702-3;

(1)—(Copy) Treaty of Alliance between the Emperor, King William, and the States General, concluded at the Hague, 7th September 1701.—— Original Treaty of Offensive and Defensive Alliance, between England, Holland, and Prussia, 30th December 1701.—— Original Act of Accession, dated 18th February 1701-2, of Frederic I., King of Prussia, to the Treaty of Grand Alliance, of the 7th September 1701. (State Paper Office.)

(2)—(Copy) Articles of the Admission of the Associated Circles of the Empire into the Grand Alliance of the 7th September 1701, dated at Nordlingen, 22d March 1701-2. (State Paper Office.)

CHAP. III. *Introduction.*

1702-3, when wars in England, itself, were anticipated, on principles more marked than those of York and Lancaster, because, in this age, the art of war promised issues, equally bloody and more disastrous

Political and commercial relations of Queen Anne, during the first five years of her reign.

The opinions of the Continental Powers, respecting the line of conduct which Queen Anne, on her accession, might observe, in her political connexions, were expressed according to the reliance which each had upon England, under King William, and according to the hopes and fears entertained of the permanency of the Queen's government.

On comparing the situation of Europe, at the close of the reigns of Charles II. and James II., with its actual situation at the death of King William, it was impossible not to look forward to one of two events; either that England might again become an instrument in the hands of Louis XIV., to facilitate his project of extending the limits and influence of France (as he had now Spain and the Spanish Indies indirectly at his disposal, and a considerable proportion of Italy), or that he would, in the event of the Queen's following up the political measures of King William, endeavour to excite a civil war in favor of a male descendant of King James II. In either case, it was naturally concluded, that the power and influence of England would be diminished, and could not become the source of a general alliance against France, or even an efficient auxiliary in it;—it was also anticipated, that the former opposition between the British and Dutch commerce would revive, both in Europe and in the Indies, and that this opposition might be worked

worked on, in these countries, to weaken the efforts of each against the common enemy of both;—it was, also, not less natural to anticipate, that a Princess, who had, hitherto, had no opportunity of discovering her knowledge of public affairs, or any bias towards particular States in Europe, would be little qualified to succeed a monarch, bred up to meet, and to overcome, difficulties in war and in politics, and deservedly considered to be the only potentate, able to counterbalance the projects, and encreased power, of France.

This suspension of opinion was, in two days, happily dissipated; for the Queen, in her first speech to Parliament, not only declared her resolution to maintain the religion, laws, and liberties of her kingdom, but that too much could not be done for the encouragement of her allies, and to reduce within bounds, the exorbitant power of France.(1)

The Queen continues the measures of King William, and conforms to the Grand Alliance.

On the basis of this resolution, the Earl of Marlborough was sent to the Hague, with a declaration of the Queen's adherence to the Grand Alliance, and to obtain from the States General, and from the Emperor, a separate article, recognizing the Queen's right to the Crown of England.(2)

This transaction was followed by a still more public measure, founded on the treaty of Grand Alliance, or that two months

(1)—Lords' Journals, vol. xvii, page 68.

(2)—Original Articles between the Queen, the Emperor, and the States General, dated 12th April 1702, explanatory of the Treaty of Grand Alliance of the 7th September 1701, with original Ratifications, by the Emperor and States General, dated 8th June 1702 and 22d March 1702-3. (State Paper Office.)

CHAP. III. *Introduction.*

months should be allowed to Louis XIV. to retract his acceptance of the Spanish Crown, for his grandson; and, should he refuse to agree to this proposition, the three contracting Powers were to declare war against France and Spain, (as adhering to its allegiance to the Duke of Anjou) on the $\frac{4th}{15th}$ May 1702.(1)

On this occasion, the King of Prussia renewed his accession to the Grand Alliance, on the same terms as with his late Majesty; as did the Princes of the House of Brunswick, and the other Germanic Powers.(2)

The plans adopted by the Allies, for bringing their armies to act, in such extensive fields as Flanders, Germany, and Italy, will derive illustration, from the military events by which they were followed, and shew the grounds upon which the treaties and conventions, entered into in the subsequent years, proceeded; as these military events are the subjects of general history, it is necessary, only, to refer to them, as the source of those political measures, which, in the subsequent campaigns, were founded on them.

Treaties between England, Portugal, the Archduke Charles (as King of

The alliance of Portugal was eagerly sought after by these great contending interests; by France, to secure Spain on that frontier, and by the Allies, to open access to the Archduke Charles,

(1)—Original Agreement between the Allies, to declare war on the same Day, dated 18th April 1702. (State Paper Office.)

(2)—Original Renewal of the Act of Accession of the King of Prussia, as a Member of the Grand Alliance, dated 14th April 1702.—— Original Act of Accession of Rudolph Duke of Wolfembuttle, as a Member of the Grand Alliance, 21st April 1702. (State Paper Office.)

CHAP. III. *Introduction.* Spain), and the States General, with the same object.

Charles, to take possession of the Spanish dominions; a convention, therefore, was concluded, on the 2d May 1703, as the basis of a more general treaty, between the Archduke Charles, (as King of Spain,) and Portugal, specifying that Portugal was prepared to enter into negotiations, for becoming a party in the Grand Alliance.(1)

This preliminary convention explains the treaty between the Emperor, the States General, the King of Portugal, and the Queen, dated the 16th May 1703, by which the King of Portugal became a party in the Grand Alliance.(2)

By a secret article it was stipulated, that, besides cessions in Europe, by Spain, in favour of Portugal, the north side of the Rio de la Plata should be the boundary of the possessions of both kingdoms in South America.

On the 3d July 1703, a defensive alliance was formed, between the Queen, the States General, and the King of Portugal, by which the contracting parties guaranteed the safety of their respective possessions. By this treaty it was explained, that the convention which placed Bombay among the possessions of England, should be interpreted agreeably to its spirit, and that the Portuguese ships should have the same access to

 Malacca,

(1)—Original Convention between the Almirante of Castile and the Imperial Ambassador, for bringing Portugal into the Grand Alliance, dated at Lisbon, 2d May 1703, with the original Ratifications. (State Paper Office.)

(2)—Original Treaty of Offensive and Defensive Alliance, between the Emperor, the Queen, the States General, and Portugal, against France and Spain, concluded at Lisbon, 16th May 1703, with the original Secret Articles and Ratifications. (State Paper Office.)

CHAP. III. *Introduction.* Malacca, as those of the other European nations trading to the East-Indies.[1]

The Queen and the States General, at this period, more fully to mark their determination to resist the aggrandizement of France, by the indirect annexation of Spain, renewed their treaty of Offensive and Defensive Alliance, on the 3d June 1703, in terms which might completely remove any difficulties or embarrassments, in the interpretation of former treaties between the two countries, made in periods when each, or when both, were in circumstances, different from those of the existing emergencies in Europe.

By this treaty it was agreed, that a mutual guaranty of the possessions of England and Holland, by land and sea, in Europe, and abroad, should be given; and that all the treaties between England and Holland, from the Treaty of Breda, in 1667, to the treaty of Alliance, of the 11th November 1701, should be incorporated, renewed, and confirmed, by this treaty.[2]

This treaty, between the Queen and the States, was preparatory to a renewal of the treaty of Defensive Alliance, between England, Holland, and Sweden, which was concluded at the Hague, on the 16th August 1703.[3]

A

(1)—Original Defensive Alliance between Great Britain, Holland, and Portugal, concluded at Lisbon, 3d July 1703. (State Paper Office.)

(2)—Original Treaty between Great Britain and the States General, for renewal of former Treaties, concluded at Westminster, 30th June 1703, with original Ratification by the States General. (State Paper Office.)

(3)—Original Treaty of Alliance between England, Holland, and Sweden, and Separate Article, dated at the Hague, 16th August 1703. (State Paper Office.)

Introduction. Treaty of Commerce between England and Portugal.

A particular treaty of Commerce was, at this time, formed, between England and Portugal, dated the 27th December 1703, by which it was agreed, that the prohibitions which had, hitherto, been in force against the importation of English woollen-cloths into Portugal, should be annulled; and that, in return, the wines of Portugal should be admitted into England, on payment of one-third less duty than the wines of France, but with this explanation, that if a higher duty should be imposed on those wines, the importation of British woollens into Portugal should again be prohibited. This treaty is the more memorable, from being the foundation of that strict and profitable commercial intercourse between both kingdoms, which has subsisted for so many years, and has been the source of the extension of the British woollen trade, not only into Portugal itself, but into its foreign possessions, and of introducing the Portuguese wines into Britain, and thus encouraging the staple products of both countries.(1)

During the campaign of 1704, the Duke of Savoy receded from his French connexion, and became a party in the Grand Alliance, and a Subsidiary Treaty was entered into with him, on the 4th August 1704, on the part of the Emperor, the Queen, and the States General. The King of Prussia, at this juncture, agreed to send a body of troops into Italy, to act in conjunction with the troops of the Empire, and of Savoy.(2)

During

(1)—Original Ratification, by the King of Portugal, of a Treaty with Great Britain, concluded at Lisbon, 27th December 1703, for admitting British Woollen Manufactures into Portugal. (State Paper Office.)

(2)—Original Treaty between Great Britain and the Duke of Savoy, for admitting the

CHAP. III.

Introduction. Reference to the Events in the progress of the general war.

During the years 1704, 1705, and 1706, the Emperor, the Queen, and the States General, by a series of Subsidiary Treaties, brought large armies to act in Flanders, on the Rhine, in Savoy, in Italy, and in Portugal, all bearing on the great object of dividing the power of France, and recovering Spain to a branch of the Imperial Family, the more effectually to balance the powers of Europe, and establish the liberties of the whole.

These treaties, however important, and however memorable the wars and victories of the Duke of Marlborough, had rather a reference to the Balance of Power, than to that of trade; and as they did not affect, in any degree, the commerce of England, or of Holland, in the East-Indies, need only to be referred to, as events influencing the parties in the Grand Alliance, and the conduct of the Queen, in encouraging commerce and navigation.

Effects intended to be produced in trade by the Treaty of Barcelona.

As, in 1707, it became necessary to find new resources, to enable the Allies, particularly England, to embody a force, capable of acting in Spain, a commercial treaty was formed, between Charles and the Queen, for the encouragement of commerce between the two countries, and tending to throw the balance of trade in favor of England. This treaty was dated at Barcelona, on the 10th July 1707, and fixed the duties on English merchandize, at seven per cent., comprehending the imports from Morocco to Spain, in English bottoms, under the general description of English merchandize, and specifying that prize

latter as a party in the Grand Alliance, concluded at Turin, 4th August 1704. (State Paper Office.)

prize goods, taken by English ships, should be deemed English commodities.(1) CHAP. III. *Introduction.*

On the same day, a secret treaty was formed between the Queen and Charles, for opening the commerce to the Indies, to a Company, composed of Spanish and British subjects, of which Cadiz was to be the emporium; which stipulated, that should the efforts of this Company be rendered impracticable, either in forming establishments, or supporting commercial enterprizes, from the Duke of Anjou having possession of the ports of Spain, more immediately engaged in this trade, five thousand tons of British shipping should be permitted to proceed to the Spanish Indies, under the protection of ships of war (these ships of war being excluded from trading), and that they should annually return to Spain, as the traders of that kingdom, but be subject only to the duties imposed on the Spanish merchants; and that this privilege of trade, in a particular manner, should exclude, in future, the subjects of France, who were declared inadmissible to any share or participation in it:—but it was not till the 9th January 1708, that the ratification of this treaty was obtained from Charles.(2)

The

(1)—Original Treaty of Alliance and Commerce, between Great Britain and Spain, concluded at Barcelona 10th July 1707, with original Ratification by Charles III., King of Spain. (State Paper Office.)

(2)—Original Secret Treaty between Great Britain and Spain, relative to the East-India Trade, concluded at Barcelona, 10th July 1707, with original Ratification by Charles III., King of Spain. (State Paper Office.)

CHAP. III.
Introduction.

The disastrous events in the campaign of 1707, particularly the fatal battle of Almanza, and the partial truce between the Imperialists and French in Italy, gave a new aspect to the war, by exciting those jealousies, which could not have been foreseen from the brilliant successes in the preceding campaigns; and the convention between the Duke of Marlborough and Prince Eugene, on the part of the Queen and the Emperor, proved, that resources of greater extent, and auxiliaries more numerous, were required, to obtain the objects of the war in their full extent.(1)

This review of the commercial and political connections of Great-Britain, during the important period from the Revolution to the establishment of the United Company of Merchants of England trading to the East-Indies, has discovered the successive powers of the Crown and of the Legislature, to grant privileges of trade to the East-Indies, and references to these treaties, during each year, will unfold the sources of the applications of the two Companies, for support and protection, and the wisdom of forming an union between Associations, whose ineffectual opposition to each other endangered the loss of the East-India trade to England.

Reference to the sketch, in the preceding Chap-

In the preceding chapter, a review was taken of the political and commercial relations of England with the Maritime Powers

(1)—Original Convention between the Duke of Marlborough and Prince Eugene, for four thousand Imperial Troops to serve in Catalonia, concluded at the Hague, 14th April 1708. (State Paper Office.)

Powers of Europe, and a corresponding review of the countries within the East-India Company's limits; and, with this preliminary information, the Annals of the London East-India Company were traced, after ascertaining the protection or interruptions which their rights and trade might receive in England, and the difficulties which they had to encounter and surmount, in the East-Indies; we were thus prepared to examine and appreciate the value of their services to the navigation and commerce of the kingdom.

CHAP. III.

Introduction. ter, of the political and commercial characters of the Powers in the East-Indies, during the last twenty years of the reign of Aurungzebe.

In this Chapter we have followed the same arrangement, as far as regarded Europe; but have only to make a reference, as far as regards the East-Indies, to the political characters of the countries within the Company's limits, delineated in the Introduction to the preceding Chapter.

In England, three epochas, or the establishment of the London Company, the restoration of their privileges, and the events which led to the Union of the London and English Companies, point out the marked periods in the progress of Indian Affairs; but, in the East-Indies, from the Restoration to the Revolution, and from this æra, to the Union of the two Companies, by the Award of Lord Godolphin, one great political and commercial fact, only, occurs, or the memorable reign of Aurungzebe: it was the power of this Mogul which, alone, could affect the Company's Settlements abroad, because the principal seats of their trade, or Bombay and Surat and their dependencies, and Fort St. George and its subordinate Factories, either on the Coromandel Coast or in Bengal, were situated in his empire; for, as yet,

CHAP. III. *Introduction.* efforts, only, were making in the West of India, to restore the trade in the Gulf of Persia, and to form exchanges in the Gulf of Arabia, and eastward of Hindostan (Bantam being lost, and the Company excluded from the Spice Islands) the trade was but opening in Sumatra, and irregular experiments projecting, to obtain an intercourse with the countries bordering on the China Seas.

With the information, therefore, to be drawn from the leading events in the political and commercial state of Europe, and from the leading political and commercial events in the countries within the Company's limits, we are prepared to examine the Annals of the East-India Company, from the Revolution to the Union of the two Companies; an event which gave a decided character to the East-India affairs of the kingdom.

CHAPTER III.

REVIEW OF THE ANNALS OF THE HONORABLE EAST-INDIA COMPANY, FROM THE REVOLUTION, IN 1688-89, TO THE UNION OF THE LONDON AND ENGLISH EAST-INDIA COMPANIES, IN 1707-8.

CONTENTS.

1689-90.—*East-India affairs influenced by the change in the Government of England, and by the consolidation of the Mogul Empire...... The instructions of the Court, in this season, directed to three objects:...... to the abridgement of their equipments;...... to the establishment of the Company, as an Independent Power in India; ...... and to oppose the scheme of the Interlopers making applications to Parliament for the establishment of a new East-India Company...... Resolution of the House of Commons on this application of the Interlopers...... Company determine to petition Parliament*

for

CHAP. III. Contents. *for an Act, to confirm their Charter and privileges...... Interlopers offer to raise a stock of £180,000 for a new Company.*

Recapitulation of events in the Company's foreign Settlements, during the preceding seasons.

1690-91.—*Court endeavour to obtain an Act of Parliament to counteract their commercial opponents...... Commercial instructions to the Presidency of Surat...... Mr. Harris appointed President of Surat and Governor of Bombay...... Instructions for reviving the Persian trade, and recovering the arrears of customs at Gombroon. ...... Orders to Fort St. George, to reduce the military establishments, and to suspend the forming of new Factories...... One Factory only to be continued in Bengal, and Agent Charnock empowered to dismiss any of the Company's servants in Bengal, without appeal. ...... York Fort, at Bencoolen, to be strengthened, and the Factory at Indrapore withdrawn.*

Mr. Harris proclaimed Governor of Bombay, and Mr. Weldon Deputy Governor...... Mr. Weldon's report on the state of affairs at Bombay, and the measures required to place it in a respectable state of defence...... The Jesuits' lands at Bombay seized, for having assisted the Siddee in the invasion of the Island...... The Mogul agrees to pay the English eighty thousand rupees, as a compensation for the goods plundered during the war...... King's Declaration of War against

against France proclaimed at Surat...... Persian trade obstructed by the Dutch, and payment of customs at Gombroon postponed...... Presidency of Fort St. George propose a new Phirmaund should be obtained for Madras and Bengal...... Trade at the Fort at a stand, and Mr. Charnock sent to Bengal, to resettle Factories, on the basis of a new Phirmaund...... Declaration of War against France proclaimed at Fort St. George, and an indecisive action between the allied Dutch and English squadrons, and the French fleet.

CHAP. III. Contents.

1691-92.—*House of Commons refer the Company's claims, and those of the Interlopers, to the King...... Court ascribe the war with the Mogul to the interferences of the Interlopers...... Bombay ordered to be again made the chief seat of Government...... Court approve of the seizure of the Jesuits' lands...... Court's answer to the memorial of the Portuguese Envoy, relative to the military services of the inhabitants of Bombay...... Measures for encreasing the military establishment of Bombay...... Commercial instructions for the season ...... Persian trade to be promoted, by encouraging the Armenian merchants...... Mr. Yale dismissed, and Mr. Higginson appointed President of Fort St. George...... Sir John Goldesborough appointed Commissary General and Supervisor of the Company's affairs in India...... Directions respecting the buildings and revenues of Madras...... Regulations for the Court of Aldermen at Madras......*

Factories

CHAP. III. Contents.

Factories at Conimere and Cuddalore withdrawn, and a new Settlement purchased at Tegnapatam...... Retrenchment of the military establishment at Fort St. George...... Bengal to be again subordinate to the Fort, after Mr. Charnock's death or removal...... A military guard to be formed at Bencoolen...... Measures of the Agent at Tonquin disapproved.

An embargo ordered at Surat, on Europe shipping, and a guard placed on the English Factory...... Bombay defenceless, from the reduced state of the garrison...... Commercial distresses of this Presidency...... Military operations in the Carnatic, between the armies of Aurungzebe and the Hindoo Princes...... Fort St. David, or Tegnapatam, fortified...... Trade in Bengal re-established, and the Agency fixed at Chutanuttee...... Affairs at Bencoolen and Tonquin in this season.

1692-93.—*The deficiency of intelligence from India affects the Court's instructions to their foreign Settlements...... Equipments, stock, and commercial instructions of the season...... Some young men sent to Ispahan, to acquire the Persian and Armenian languages.*

The obstruction of the passage of the Pilgrims, from Surat to Mecca, the source of the peace granted by the Mogul to the English. ...... The French fleet capture one of the Company's ships...... Trade depressed by the Interlopers, English Pirates, and Permission Ships......

Ships...... The revival of the Courts of Admiralty and Judicature at Bombay prevented by the defenceless state of the garrison...... Duplicity of the Armenians, in their transactions with the Presidency of Surat...... Arrival of Sir John Goldesborough at Madras...... Advantages taken of the dissentions at Bencoolen by the Dutch. ...... Sir John Goldesborough's plan for the improvement of the Settlement at Bencoolen...... Mutiny at St. Helena, in which Governor Johnston was killed...... Captain Keeling appointed Governor of the Island.

1693-94.—*New Charter to the East-India Company,* 7*th October* 1693 (5 *William and Mary*)...... *Substance of this Charter...... Company enter into an obligation to export* £150,000 *of British manufactures...... Additional Charter, of* 11*th November* 1693, *for augmenting the Company's stock, for defining their term, and specifying the qualifications of Proprietors to vote at General Courts...... The new Subscription of* £744,000 *completed...... Court's memorial, explaining the plans of the Interlopers...... Sir John Goldesborough appointed General in India, and Sir John Gayer Lieutenant General and Governor of Bombay...... Sir John Gayer's instructions...... Equipments, stock, and commercial orders, for the season...... Military instructions for Bombay...... Civil establishment in Persia augmented. ...... English cloth consigned to the Armenian merchants, to be bartered*

CHAP. III. Contents.

tered for Persian silk...... Mixed instructions to Madras and Bengal. ...... House of Commons pass a vote, declaring the right of all Englishmen to trade to the East-Indies, unless prohibited by Act of Parliament...... Company's establishments on the Coast to be confined to Fort St. George, Fort St. David, and Vizagapatam...... Separate instructions regarding the revenue of Fort St. David...... Bengal (after Mr. Charnock's death) again rendered subordinate to Fort St. George, and Mr. Ellis appointed Agent...... A vessel sent to Amoy, to make another experiment of trade in China.

The trade of the European merchants of Surat prohibited, in consequence of Surat ships being captured by English pirates...... Measures of Sir John Goldesborough, for improving the Company's affairs on the Coromandel Coast;...... and in Bengal...... His application to the Governor of Hughly, to obstruct Captain Pitt, an Interloper...... Death of Sir John Goldesborough...... Plot of Dr. Blackwell, to deliver Fort St. David to Zulfaker Khan, the Mogul General...... Several Factories on the Coast withdrawn...... The Prince's Nishân for coining money at the Fort received...... The Court's orders for improving the Corporation at Madras impracticable...... Situation of affairs at Bencoolen.

1694-95.—*Additional Charter granted to the Company, specifying regulations for the management of their affairs...... Plan for the*

correspondence

CHAP. III.
Contents.

correspondence with the Court, and appointment of a secret Committee for shipping...... Commercial orders for Surat, Mocha, and Persia. ...... The price of English cloths ordered to be raised in Persia, in consequence of the capture of the English and Dutch Turkey fleets by the French...... Instructions for Coast and Bay general, from the dispatches being lost in the Berkeley Castle...... Precautions to be taken at Fort St. George and Fort St. David, should the French land on the Coromandel Coast...... A Post Office and Insurance Office to be established at Madras...... Chutanuttee fixed on, as the Company's chief residence in Bengal...... Free trade permitted at Bencoolen, on payment of the Company's duties.

Death of President Harris, and succession of Mr. Annesley...... Sir John Gayer's report on the state of affairs at Bombay...... Permission obtained to form a fortified Settlement at Anjengo...... The Company's credit lowered, by the conduct of White, the Interloper. ...... Difficulties, from the want of stock, and from the Company's great debts...... The death of the King of Persia checks trade, till the Company's privileges should be confirmed by his successor, Sultan Hossein...... Formidable naval power of the Arabs at Muscat...... Doubtful character of the Armenian Merchants in Persia, to whom the English cloths had been consigned...... Mr. Eyre, the Agent in Bengal, obtains an order from the Mogul, for removing the embargo on European trade.

CHAP. III. Contents.

1695-96.—*Unsuccessful efforts of the Company to obtain an Act of Parliament for confirming their privileges; ...... and for suppressing the Interlopers...... Establishment of an East-India Company, by Act of Parliament, in Scotland, with extensive privileges...... Court apprehensive, that this Company might afford new subterfuges to the Interlopers...... Sir John Gayer's authority confirmed, but under new instructions...... Court's orders, regarding their affairs in Persia...... No new Settlements to be formed on the Coromandel Coast, till the Company's privileges should be settled by Act of Parliament...... York Fort, at Bencoolen, placed under the control of Fort St. George.*

Distressed situation of Surat, from an apprehended attack by the Ram-Rajah; ...... and of civil war, from the expected death of Aurungzebe...... The Company's Factory at Surat seized by the Governor, on a large Interloping ship becoming pirate, and capturing vessels conveying pilgrims to Judda and Mocha...... English trade at Surat at a stand...... Sir John Gayer offers to be responsible for the safety of the pilgrims, between Surat and Mocha...... The Mogul orders the embargo on trade to be continued, till the pirates be captured...... A Vakeel sent with presents to the Mogul, to vindicate the Company, and to solicit a Phirmaund...... The French and Dutch endeavour to get the embargo removed from their ships...... Governor of Surat postpones executing the Mogul's order to remove the embargo, without farther

farther instructions...... The large French and Dutch fleets in the Indian Seas obstruct the trade...... Military establishment at Bombay, from the low state of the revenue, to be farther reduced...... The Fort at Anjengo built...... Trade in the two Gulfs prevented by the pirates...... Failure of the project of selling English cloth in Persia, through the Armenian merchants...... Encreasing naval power of the Arabs at Muscat...... No intelligence, this season, from Fort St. George, Bengal, or Bencoolen.

1696-97.—*The difficulty of raising supplies for the war against France, facilitates the schemes of the Private Merchants and Interlopers against the Company...... The consideration of the East-India trade suspended, by its interfering with the plan of raising supplies by a Land Bank...... Equipment, stock, and orders for the season...... Memorial of the Court to the Lords Justices, on the depredations of the pirates in the Indian Seas...... Court approve of Sir John Gayer's offer to convey the pilgrims to Mocha and Judda;...... and of fortifying Anjengo...... Court continue their confidence in the Armenian merchants in Persia...... The Sumatra trade to be encouraged, Pettipolee resettled, and the trade, between the Fort and China, promoted. ...... The forming a Court of Judicature in Bengal to be postponed. ...... Instructions for the Agents at Bencoolen.*

Political

CHAP. III. Contents.

Political weakness of the Mogul Empire at this period, and probability of a civil war...... The English at Surat released, and the Company's property restored, but the embargo continued...... The Interloping system terminating in piracy, depresses the Company's trade. ...... The Governor of Surat restrains the trade of the French, Dutch, and English...... An embargo laid on the ships of all European nations, at Surat, on the appearance of several pirates in the Gulf of Arabia, and on the Malabar Coast...... The crews of two of the Company's ships mutiny, murder their officers, and turn pirates...... The country ships taken by the pirates...... Sir John Gayer again offers to convoy the pilgrims to Mocha...... Reduced situation, at this crisis, of the garrison at Bombay...... King of Persia asks the assistance of the English, against the Arabs, and, in return, offers to give Phirmaunds for trade...... Agent Owen obtains a Phirmaund for arrears of customs...... Trade at Fort St. George at a stand, from losses by the pirates, and from the war in the Carnatic...... Trade in Bengal impeded, by the revolt of the Rajah, Subah Sing...... Improving state of the Settlement at Bencoolen.

1697 98.—*Application to the King for authority to extirpate the pirates, and to bring them to trial in India...... Equipment and stock for the season; and instructions to Sir John Gayer, to form, with the Dutch, a squadron, to convoy the pilgrims, and protect trade......*

Mr.

Mr. Thomas Pitt appointed Governor of Fort St. George, and to act, for twelve months, independently of Sir John Gayer...... Instructions for soliciting Phirmaunds, in the event of Aurungzebe's death...... Court fix the value of money coined at their Settlements...... New Phirmaunds to be solicited in Persia, and Ispahan made there sidence of the Agent...... Particular instructions to Governor Pitt, on the revenues of Madras, on the Courts of Judicature, and for suppressing the Interlopers...... Equipments and stock for the season...... Factory at Chutamuttee to be fortified, and the expences paid by the inhabitants...... Bencoolen to be opened to the private Country Traders.

CHAP. III.

Contents.

Political aspect of the Mogul Empire at this period...... Phirmaunds precarious, from the state of the Government, and the increase of the pirates...... Harsh proceedings of the new Governor of Surat. ...... Alarming increase of pirates in the Indian Seas...... Sir John Gayer recommends an application to the King, for authority to try and condemn the pirates in India...... Offer of the Grand Seignior to convoy the Mocha fleet refused by the Mogul...... Bombay, under these circumstances, in a hazardous situation...... Sir John Gayer offers his resignation, and reprobates President Annesley's conduct. ...... Substance of Phirmaunds renewed and obtained in Persia, in this season...... The Armenians oppose the Company's export of silk

CHAP. III. Contents.

silk at Gombroon...... Offer of accommodation, on one of the Company's ships, to the Persian Ambassador proceeding to the Court of the Mogul...... Treacherous conduct of the Armenian Merchants in the sale of English cloth...... Measures of Mr. Barwell, on being appointed Chief Agent in Persia...... Trade at Fort St. George impeded, by the war in the Carnatic, and by the increased number of the pirates...... The Agent in Bengal sends an Envoy to Prince Azim, at Burdwan, to solicit protection...... The investment obstructed by the Dutch and Interlopers...... Company's trade at Bencoolen on the increase.

1698-99.—London Company. *Retrospect of the difficulties against which the London East-India Company had struggled, from their establishment to this period........ Arrangement to be observed, in tracing the Annals of the two East-India Companies. .... Events which led to the establishment of a New East-India Company........ The project of a Land Bank, to raise a supply for the Government, impracticable........ The London Company offer to raise £700,000, at four per cent., for the public service. .... The Private Merchants offer to raise £2,000,000, at eight per cent., which is accepted, and a Bill introduced in their favour. ...... Arguments of the London Company against this Bill, and answers of the Private Merchants...... Instructions to Sir John Gayer*

while

while the Bill was pending...... Act passed, incorporating the Private Merchants, by the name of the General Society trading to the East-Indies...... The London Company, as a Corporation, subscribe to this new stock...... Commercial instructions to their Agents, to counteract the schemes of the new Association...... The King incorporates the General Society, by the name of the English East-India Company. ...... Substance of the privileges of the English Company...... The stock of this Company rapidly declines in value...... The London Company make a call of twenty five per cent. on their Proprietors. ...... The offer of the English Company, to coalesce with the London Company, rejected...... The London Company propose sending Dr. Davenant to India, to check the measures of Sir William Norris...... General commercial instructions of the London Company, on this occasion...... Sir John Gayer instructed to obtain a Phirmaund from the Mogul, in favour of the London Company...... Commodore Warren sent with a squadron against the pirates...... Equipments, stock, and commercial instructions of the London Company, for the season...... President Annesley dismissed, and Mr. Colt appointed President of Surat...... The attempt to acquire new Phirmaunds in Persia to be postponed...... Instructions to Fort St. George to re-occupy the stations on the Coromandel Coast...... General commercial instructions to Fort St. George...... Bengal again made independent of Fort St. George, and

CHAP. III. Contents.

and commercial instructions to the Agent...... Regulations to be observed at St. Helena.

The convulsed state of the Mogul Government renders the application for Phirmaunds a less important object...... Captain Kidd forms the pirates into squadrons, and blockades both coasts of the Peninsula. ...... The Mogul lays an embargo on Surat, till compensation for losses from the pirates should be paid...... Sir John Gayer compelled (with the French and Dutch) to give Security Bonds to this effect. ...... Stations assigned to the English, Dutch, and French squadrons, to clear the seas of the pirates...... Critical situation of Bombay, and the Factories on the Malabar Coast, at this time...... The Persian Phirmaunds enable the English to recover the arrears of customs, and procure a quantity of silk...... The Armenians in Persia again unfaithful to their engagements...... First effects of the intelligence, respecting the English Company, on the Presidency of Fort St. George...... Nishán granted by the Prince, for the town of Chutanuttee and adjacent lands.

English Company.—*Recapitulation of the Act, constituting the English East-India Company...... Their Court of Directors copy the constitution of the London East-India Company...... Sir William Norris appointed Ambassador to the Mogul, and the Presidents of the English Company vested with the rank of King's Consuls for the English Nation...... Sir Edward Littleton appointed Consul and*

President

President in Bengal...... Rank, salaries, and privileges of the servants of the English Company...... Their first equipments and stock for Coast and Bay...... Mr. John Pitt appointed President and Consul for the Coast of Coromandel, and his instructions...... A Settlement to be formed on the Island of Borneo........ Sir Nicholas Waite appointed President and Consul at Surat, and his instructions........ Sir Nicholas Waite authorized to advance £20,000 to Sir William Norris...... Equipments and stock consigned to Surat.

1699-1700.—LONDON COMPANY.—*Comparative situation of the London and English East-India Companies...... Financial and commercial measures of the London Company, to preserve their credit and trade...... The overtures of the English Company, for an Union, rejected by the London Company...... Instructions to their foreign Settlements, to prevent their being intimidated by the establishment of the English Company...... London Company obtain an Act of Parliament for continuing them a Corporation...... The King recommends an Union of the two Companies...... Effect of the Act, for prohibiting the importation of silks and calicoes, on the London Company's instructions...... Equipments and stock of the London Company for this season...... Public instructions to Sir John Gayer, for Bombay and Surat...... Separate in-*

CHAP. III. Contents.

structions to Sir John Gayer...... The orders to the Agents in Persia founded on the Phirmaunds obtained in the preceding season. ...... Instructions to President Pitt, at Fort St. George, to refuse any assistance to the English Company's Agents...... Chutanuttee constituted a Presidency...... Sir Charles Eyre appointed President of Chutanuttee, with orders to build Fort William...... A new Council appointed for the Presidency of Fort William...... Instructions to the Agents at Bencoolen...... First regular equipments and stock sent direct to Canton.

Embarrassments at Bombay and Surat, from the prospect of a civil war for the succession;......from the hostile preparations of the Hindoo Powers to re-assert their independence;...... and from the appointment of a new Governor of Surat...... Alarm of the Presidency of Surat, on receiving intelligence of the establishment of the English Company...... The Governor of Surat interrogates the President and Council about the English Company, and forbids their leaving the port...... Arrival of Sir Nicholas Waite at Bombay, where his authority was disavowed by Sir John Gayer. ...... Sir Nicholas Waite arrives at Surat, and removes, by force, the London Company's flag from their House...... This violence resented by the Governor, as an insult to the Mogul...... President Colt refuses to acknowledge Sir Nicholas Waite's assumed superior authority...... Trade at Surat, and on the Malabar Coast, sus-

pended

pended, from these events...... The aspect of the Persian trade unfavourable at the opening of the season...... The King of Persia visits the English Factory at Ispahan, and confirms and enlarges all their Phirmaunds...... Substance of the Agent's petition to the Persian Minister on this occasion...... The Dutch solicit a visit of the King to their Factory, which is refused...... Honorary presents by the King of Persia to the Company's Agent...... Critical situation of Fort St. George, from the opposition of the English Company's Agents, and the devastations of the Mogul and Hindoo armies in its vicinity...... Intemperate conduct of the English Company's Consul on his arrival at Madras...... Consul Pitt fixes the English Company's seat of trade at Masulipatam, and desires that his authority might be recognized by the President of Fort St. George. ...... Sir William Norris arrives at Masulipatam, and notifies his character to the Governor, and to the President of Fort St. George, which both refuse to acknowledge...... Sir Edward Littleton arrives in Bengal, and his authority, as Consul, rejected by the London Company's Agents.

English Company.—*Relative pretensions of the English and London Companies at this juncture...... Contradictory accounts of the value of the English Company's stock, from those transmitted by the London Company to their servants...... Equipments and stock of the English Company for Surat...... Instructions to Consul Pitt,*

on

CHAP. III. Contents

on the Coromandel Coast...... Instructions to Sir Edward Littleton, in Bengal...... Speculation of establishing a trade at the Island of Borneo, and connecting it with the China trade.

The ruin of the two Companies, in India, only prevented by the relaxed state of the Mogul Government........ Proceedings of Sir Nicholas Waite, the English Company's Consul at Surat...... Sir Nicholas Waite addresses letters to the Mogul, charging the London Company with being parties in the piracies in India...... Impartial conduct of Commodore Littleton...... Sir Nicholas Waite obtains a Perwannah for trade at Surat, and prohibits the London Company's President from granting passes to the country ships...... Precarious state of the Mogul power in the Carnatic, at this period...... Consul Pitt's intemperate proceedings at Masulipatam...... Solicits a Perwannah for trade, till a Phirmaund should be procured...... President of Fort St. George refuses to submit to his authority, as Consul...... Arrival of Sir William Norris, and first proceedings of the Embassy........ Sir William Norris directs Sir Nicholas Waite to forward the present of ordnance to the Mogul...... Reports by Sir William Norris and Consul Pitt on the state of the English Company's affairs...... Sir Edward Littleton, in Bengal, prohibits Agent Beard from negotiating the London Company's affairs at the Durbar.

1700-1.

1700-1. LONDON COMPANY.—*The instructions of the Court to their Foreign Settlements founded on the Company being continued a Body Corporate......Plan of sending Dr. Davenant to India unnecessary, from the powers given to Sir John Gayer......Pirates to be tried in India; and notice given to the Governor of Surat, that several had been executed in England......The English Company seize the property of Individuals in the London Company's ships; for which the London Company obtain a verdict against them...... All private property, in future, to have the Company's mark on the packages......Court's orders for an investment affected by the Prohibition Act......Transactions between Mr. Secretary Vernon and the two Companies, with a view to a coalition......Company's Captains authorized, by King's commissions, to seize pirates, and bring them to trial in India......Convoys to Judda to be refused, unless the Company are released from the Security Bonds......Commercial instructions to Sir John Gayer and President Colt......The King of Persia to be solicited to encourage the export of raw-silk......Court's instructions to President Pitt, at Fort St. George, and their approbation of his conduct......Exemplification, under the Great Seal, of the Act for continuing the London Company a Corporation, sent to Fort St. George......Equipments and stock for Coast and Bombay......New arrangement for the correspondence of the foreign Settlements...... Mr. Gabriel Roberts appointed Supercargo for China, and on his return, Governor of Fort St. David......General instructions for Bencoolen. ......Equipments*

CHAP. III. Contents.

Equipments and stock for Bengal, and regulations for the navigation of the Ganges...... Direct trade to China increased, and connected, by circuitous exchanges, with the Peninsula of India.

Phirmaunds to be solicited, notwithstanding the relaxed state of the Mogul Government...... Danger to the East-India trade, from the solicitations of the two Companies for privileges...... The misrepresentations of Sir Nicholas Waite produce an order from the Mogul to stop the London Company's trade at Surat...... Substance of correspondence, between Sir Nicholas Waite and President Colt, on this occasion...... The Governor of Surat continues to oppress the trade of the London Company...... Sir William Norris arrives at Surat, and by large bribes, obtains permission to make a public entry. ...... Sir John Gayer sends an Armenian Vakeel to Court...... Sir William Norris seizes two Members of the London Company's Council at Surat, and the Secretary, and delivers them prisoners to the Governor...... Sir John Gayer, President Colt, and Council of Surat, seized by order of the Mogul...... Sir John Gayer recommends withdrawing the London Company's Factory from Surat...... Four ships sent to England with an investment..... State of the Company's rights and trade in Persia...... Measures of President Pitt, at Fort St. George, to resist the authority of the English Company's Ambassador and Consul...... New Agent and Council appointed for Masulipatam...... Deficiency of information respecting Bengal and Bencoolen.

ENGLISH COMPANY.—

ENGLISH COMPANY.—*The English Company depressed, by the Act for continuing the London Company a Corporation...... The English Company recommend moderation towards the servants of the London Company...... Sir Nicholas Waite's intemperate conduct disapproved. ...... Equipments and stock of the English Company for Surat. ...... A Factory at Mocha projected...... The instructions to Consul Pitt recommend rather commercial rivalship, than assumption of authority, on the Coromandel Coast...... Equipments, stock, and commercial instructions for this Coast...... Equipments, stock, and commercial instructions, for Bengal...... Equipments, stock, and commercial instructions for Borneo...... Equipments, stock, and commercial instructions, for China.*

Principal events, affecting the English Company's interests in India, during this season...... Measures of Sir William Norris and Sir Nicholas Waite, in the progress of the Embassy...... Sir Nicholas Waite's report on the political circumstances of the English Company at Surat......—His report on the commercial circumstances of the English Company, at Surat and on the Malabar Coast. ...... Consul Pitt's report on his transactions with Sir William Norris......—His report on the situation of the English Company's trade on the Coromandel Coast...... Sir Edward Littleton's report on his measures for seconding the efforts of the Ambassador, in soliciting a Phirmaund......—His report on the state of trade in Bengal.

CHAP. III. Contents. *Bengal...... Report of President Catchpoole on the China trade, and the expediency of fixing a Settlement at Pulo Condore.*

1701-2. LONDON COMPANY.—*The necessity of an Union between the two Companies becomes apparent to Parliament...... The London Company propose to Parliament to pay off the stock of the English Company at five per cent...... A Committee of Seven appointed to manage the negotiations for an Union...... Sir Basil Firebrace empowered to adjust the terms of the Union..... General terms of the Union agreed on...... Report on the subject of the Union, by the Court, to their Foreign Presidencies........ Separate instructions for Bombay and Surat, and equipments and stock for the season. ...... Death of King William, and Accession of Queen Anne...... The instructions to Persia varied, in the progress of the Union...... Instructions to the Presidency of Fort St. George, in consequence of the Union...... Instructions to the Agent and Council at Bencoolen; ......and to the Presidency of Bengal...... A direct trade to China formed, under the management of Supercargoes...... Orders to the Governor of St. Helena, on the Union.*

The applications for Phirmaunds encrease the expences of the London Company, by bribes to the Mogul's Ministers...... Sir William Norris refuses to second the applications of Sir Nicholas Waite, for the imprisonment of the London Company's servants at Surat. ...... Weak

CHAP. III.
Contents

Weak state of Bombay at this crisis...... The investment, this season, inconsiderable, from the oppressions experienced by the Company's servants at Surat...... Report of President Pitt on the state of affairs on the Coromandel Coast...... Trade in Bengal improved, in consequence of the Emperor's son being appointed Subah of Bengal. ...... President Beard recommends the establishment of a trade between Bengal and China.

ENGLISH COMPANY. *The necessity of an Union attributed to the competitions between the two Companies in India...... Equipments, stock, and instructions, for Surat, and orders to Sir William Norris to discontinue his applications for Phirmaunds...... Equipments, stock, and instructions, for the Coromandel Coast...... Equipments, stock, and instructions, for Bengal, and approbation of Sir Edward Littleton's conduct...... Equipments, stock, and instructions, for China, and appointment of a garrison for Pulo Condore.*

The probability of civil wars in India, renders the speedy accomplishment of the Embassy necessary...... Each of the English Company's Presidencies recommend to the Ambassador, to solicit Phirmaunds, suited to their respective situations.....Relative circumstances of the Ambassador with the English Company's President at Surat; ......—with the President at Masulipatam;......and with their President in Bengal...... Sequel of the progress of the Embassy. ......Order of the Procession at Sir William Norris's Audience of the Mogul...... Substance of the Phirmaunds agreed to by the Mogul.

CHAP. III. Contents.

Mogul...... The delivery of the Phirmaunds impeded by the irregular conduct of Sir Nicholas Waite...... The Mogul desires the Governor of Surat, and Seid Sedula, to report which of the two Companies represented the English Nation...... Reciprocal accusations of the Ambassador and of Sir Nicholas Waite...... The negociation broken off, and passports demanded by the Ambassador...... Opinions of the English Company's Presidencies on the issue of the Embassy. ...... Sir William Norris returns to Surat, and embarks for England. ...... Death of Sir William Norris, who leaves a narrative, explaining his conduct to the King and Court of Directors...... Intemperate report of Sir Nicholas Waite on the failure of the Embassy...... Report of Consul Pitt on the same subject, and on the Company's trade on the Coromandel Coast...... Report of Sir Edward Littleton, on the same subject, and on the trade in Bengal. ...... Failure of the projected establishment at Chusan, in China.

1702-3. LONDON COMPANY.—*Preliminary measures adopted by the two India Companies for completing the Union...... The Indenture Tripartite, equalizing the stock of the two Companies, considered as the Charter of Union...... Trade to be carried on, for seven years, on the Charter of the English Company...... Estimate of the value of the Dead Stock of the two Companies in India...... The Company, after the expiration of seven years, to assume the title of " The United Company of Merchants of England " trading*

CHAP. III. Contents.

" trading to the East-Indies." . . . . . . Specification of the Dead Stock of the two Companies, in the Indenture Quinque-partite. . . . . . General instructions of the London Company to their Foreign Settlements, on the completion of the Union. . . . . . Two men of war sent to India to suppress the pirates. . . . . . Separate instructions to Sir John Gayer and President Colt on the Union. . . . . . General instructions to President Pitt, at Fort St. George. . . . . . Instructions for Bencoolen, now declared independent of Fort St. George. . . . . . Instructions for the Presidency of Bengal. . . . . . Instructions for the Governor of St. Helena.

Embarrassed situation of the General at Bombay, and the President at Surat, from the breaking out of the plague, and the appearance of a civil war. . . . . . President Pitt's favorable report on the state of trade on the Coromandel Coast. . . . . . His memorable conduct, on receiving intelligence of the Union of the two Companies. . . . . . The Mogul orders all trade to be stopped in Bengal, and the Company's servants seized, till compensation should be made for the depredations of the pirates. . . . . . President Beard's comparative statement of the rights and trade of the two Companies in Bengal. . . . . . Mr. Roberts's report on the China trade.

ENGLISH COMPANY.—*Account of the Union, as transmitted to Sir Nicholas Waite, by the Court of Directors. . . . . . Equipments, stock, and instuctions for Surat. . . . . . Equipments and stock consigned to Consul Pitt, now appointed Governor of Fort St. David. . . . . . Instruc-*

 tions

CHAP. III. Contents.

tions to Sir Edward Littleton in Bengal...... The failure of the speculation at Borneo ascribed to Mr. Landen, who is dismissed the Company's service...... Continuation of the projects for trade in China.

Sir Nicholas Waite continues his aspersions of the Ambassador, and his violent proceedings against the London Company's servants; ...... but affects conciliation, after receiving intelligence of the Union. ...... Depressed situation of the English Company's affairs on the Coromandel Coast, at the time of receiving intelligence of the Union. ...... Sir Edward Littleton's report on the state of trade in Bengal. ...... Precarious situation of the Settlement in the Island of Borneo. ...... President Catchpoole's report on the China Trade of the English Company.

1703-4. *The Annals of the East-India Company, in this season, require the same arrangement, as previously to the establishment of the English Company...... Sir John Gayer appointed by the Court of Managers, to be General for the United Interest, and the Consular powers of Sir Nicholas Waite revoked...... General instructions to Sir John Gayer...... Method of adjusting the separate stocks of the two Companies...... Equipments and instructions for the general trade. ...... Separate orders of the London and English Companies for winding up their respective affairs...... An Agent sent to Persia, to settle the disputes among the London Company's servants...... General orders to President Pitt, and separate orders to him, and to Consul Pitt. ...... London*

......London Company's separate orders to the Agent at Bencoolen...... Instructions to Mr. Beard, in Bengal...... Separate instructions to Sir Edward Littleton, and secret orders to a Committee, to report on his proceedings...... Instructions to the Agents at Chusan, Borneo, &c....... Instructions to the Governor of St. Helena.

Similar arrangements for detailing the foreign events of this season adopted, as for the domestic instructions...... Opposite conduct of Sir John Gayer and Sir Nicholas Waite, in complying with the orders of the Court of Managers...... The London Company's servants at Surat, and the Dutch Agents, imprisoned, and new Security Bonds extorted, in consequence of a Mocha ship being taken by a pirate...... Death of Consul Pitt, and report of President Pitt, on the separate interests of the two Companies...... His report on the state of trade at Bencoolen...... Report, by the Committee of Eight, on the state of affairs in Bengal...... Separate reports of the servants of the London and English Companies on this subject. ...... Trade, at this juncture, embarrassed, by the appearances of a civil war...... Report on the state of trade at Borneo, Pulo-Condore, Chusan, and Amoy.

1704-5. *General orders of the Court of Managers, and separate orders of the two Companies...... Mr. Prescott appointed Agent in Persia, under particular instructions...... Instructions to President Pitt, to make up the separate accounts of the two Companies......*

Orders

CHAP. III. Contents.

Orders to the Agent at Bencoolen to make up the separate account of the London Company...... Commissioners to be sent to Bengal, to report on the conduct of the Presidents of both Companies...... The China trade narrowed, and the Factory at Pulo Condore to be withdrawn.

Treacherous conduct of Sir Nicholas Waite, in consequence of his provisional appointment as General, should Sir John Gayer continue in prison...... Sir John Gayer, and the London Company's servants, closely imprisoned by the Governor of Surat, from the misrepresentations of Sir Nicholas Waite...... Remonstrance of Commodore Harland, and the Deputy Governor of Bombay, on this occasion...... Evasive report of Sir Nicholas Waite to the Court on this subject...... Sir Nicholas Waite takes possession of Bombay, and appoints Mr. Aislabie Deputy Governor...... His report on the state of trade in Persia, and on the Malabar Coast...... His report on the internal state of Bombay...... The Dutch, by blockading Surat, obtain a promise of release from the Security-Bonds...... The Queen's fleet returns to England...... Agent Lock's report on the trade in Persia...... President Pitt's report on the trade on the Coromandel Coast...... His opinion on the effect of rendering Bencoolen independent of Fort St. George...... Favorable report of the United Council, on the United and Separate Interests in Bengal. ...... Report on the Settlements at Banjar-Massin and Pulo-Condore. ...... Report of the United Interests at St. Helena.

1705-6

1705-6. *The instructions of the Court of Managers to Bombay and Surat counteracted by the separate instructions of the English Company to Sir Nicholas Waite...... A new Council appointed for Bombay, to act for the general interest, and to obtain the release of Sir John Gayer...... Separate and secret orders of the English Company to Sir Nicholas Waite...... Amount of shipping arrived this season...... President Pitt's general and separate authority confirmed...... Separate orders to the Agents at Bencoolen, &c.. ... General and separate instructions to the United Council in Bengal...... Separate orders of the English Company to the Agents in Borneo.*

Bombay threatened by the Mogul and Mahratta armies, and the port of Surat blockaded by the Dutch...... The insidious proceedings of Sir Nicholas Waite discovered by Rustum, the English Company's Broker...... Opposition of the Council of Surat to Sir Nicholas Waite's measures...... His report on the defenceless state of Bombay at this crisis...... Amount of the investments from Bombay and Surat...... Death of Agent Prescott, in Persia, and decline of the English trade and influence in that kingdom...... President Pitt's report on the approaching civil war on the Coast of Coromandel;......—on the separate affairs of the London Company;......—and on those of the English Company...... Mr. Ridley's report on the state of trade at Bencoolen, in winding up the separate interests of the London Company...... United Council in Bengal purchase the full exercise of the London Company's rights.. ...... Report

CHAP. III. Contents.

. . . . . . Report on the favorable state of the United and Separate Trade in Bengal. . . . . . Report on the state of trade at Banjar-Massin. . . . . . . The garrison at Pulo Condore massacred by the Malays, and the station lost.

1706-7. *General instructions of the Court of Managers to President Pitt. . . . . . Separate instructions of the London Company to President Pitt. . . . . . His instructions from the English Company. . . . . . A new Governor and Council appointed for Bencoolen, to report on the United and Separate Interests at that station. . . . . . Court of Managers appoint Mr. Sheldon and Mr. Hedges to be the Chiefs of Council in Bengal, to wind up the separate interests.*

Political situation of Hindostan on the death of Aurungzebe, on the 20*th February* 1706-7. . . . . . *Decisive battle in favor of Bahader Shah. . . . . . The Dutch fleet blockade Surat, and obtain a release from the Security-Bonds, and permission to resettle their Factory . . . . . . Sir Nicholas Waite continues his oppressions of the London Company's servants. . . . . . A Council of the United Company formed at Surat, to resist his measures. . . . . . Sir Nicholas Waite's report on the civil and military service at Bombay at this crisis. . . . . . Agent Lock's report on the favorable state of the Company's affairs in Persia. . . . . . President Pitt's report on the political convulsions, as they affected the English Settlements and trade, on the Coromandel Coast. . . . . . His report on the general interests of the United Trade;*

. . . . —on

......—on the separate interests of the London Company;......—on the separate interests of the English Company...... His report to the Court of Managers on the investment...... State of the Company's affairs at Bencoolen, at this juncture...... The Settlements and tradein Bengal less affected by the convulsions in India, than the other seats of the Company's trade...... Report of the Council in Bengal on the United Trade;......—on the separate interests of the London Company......—on the separate interests of the English Company........ Amount of the Bengal investment this season...... Report on the Settlement and trade of Banjar-Massin...... Capture of two of the Company's ships by two French men of war, at St. Helena.

1707-8. *Retrospect of events leading, in this year, to the completion of the Union between the two Companies...... A loan of £1,200,000 for the public service, required from the United Company...... Sir Nicholas Waite dismissed by the Court of Managers...... Act of Parliament* (6*th Queen Anne*) *authorizing the Award of Earl Godolphin, and extending the privileges of the United Company to the 25th March* 1726...... *Explanation of the provisions in this Act relating to the additional capital of* £1,200,000, *and the fund of* £160,000, *assigned for the payment of interest, at* £5 *per cent...... Mr. Aislabie appointed by the Court of Managers, to be General at Bombay, and a new President and Council nominated for Surat...... General and separate instructions to President Pitt,*

CHAP. III. Contents.

on the Company's interests on the Coast of Coromandel...... General and separate instructions to the United Council in Bengal...... Final instructions of the English Company to their Agent and Council at Banjar-Massin, in Borneo.

Political state of the Mogul Empire, in consequence of the civil war for the Succession...... Relaxed state of the Mogul power in the provinces on the West of India...... Cautious policy of the Mahrattas, in their applications for military stores to the General at Bombay, and Presidency of Surat, preparatory to a general war against the Mogul Empire...... First naval establishment, by Conajee Angria, on the Malabar Coast........ Impolitic conduct of Sir Nicholas Waite in his disputes with the Presidency of Surat...... Agent Lock's report on the separate interests of the London Company in Persia...... President Pitt's interesting report on the political situation of the Mogul power in the Decan and Carnatic...... Embarrassed situation of Madras, from disputes between particular Casts of its Native Inhabitants;...... and from the power of the Arab fleets...... The revenues of Madras depressed by these events, and by a stagnation of trade..... Measures of President Pitt, to wind up the separate interests of the London Company;...... and of the English Company...... Report of the United Council at Calcutta, on the political situation of the Bengal Provinces, which acknowledged Bahader Shah as Mogul..... State of the United Company's trade in Bengal;......—of the separate interests of

the

the London Company;—of the English Company. . . . . English Company's servants expelled from Borneo, at the instigation of the Chinese. . . . . The characters of the Interlopers employed by the English Company the source of their misfortunes.

Substance of the Award of the Earl of Godolphin, which completed the Union of the London and English Companies, and established the UNITED COMPANY OF MERCHANTS OF ENGLAND TRADING TO THE EAST-INDIES. . . . . *This Award explained, by an authenticated account of the debts and credits, of the London Company. . . . . Final instructions of the Court of Committees of the London Company, and of the Directors of the English Company to their respective Presidencies and Factories in the East-Indies. . . . . Supplementary Deeds, which completed the Union.*

Results from the preceeding detail of events, ascertaining the Company's Rights, from the Revolution, 1688-89, *to the Union of the London and English East-India Companies, in* 1707-8.

CHAPTER III.

REVIEW OF THE ANNALS OF THE HONORABLE EAST-INDIA COMPANY, FROM THE REVOLUTION, IN 1688-89, TO THE UNION OF THE LONDON AND ENGLISH EAST-INDIA COMPANIES, IN 1708.

1689-90.

East-India affairs influenced by the change in the Government of England, and by the consolidation of the Mogul Empire.

THE domestic and foreign Annals of the London East-India Company, in this season, furnish events, which appear not less irreconcileable to their general interests, than to the new situation in which their affairs were placed, by the change in the Government of England, and by the consolidated power of Aurungzebe in India.

During the latter years of the reign of James II., the encouragement and support which the East-India Company received from the Crown, induced them to adopt measures, calculated to establish themselves as an Indian Power, or Regency, at Bombay, at Madras, and in Bengal; and, in this

CHAP. III. 1689-90. project, they were encouraged, by the practice of the Dutch at Java, and on the Malabar Coast. It was with this object, that the Court had appointed a Governor General, with controling power over all their Settlements, to carry the plan into execution; but the fleets and troops which had embarked on this service, did not act with concert or with energy, either from the Agents in Bengal, and the Presidency of Madras, not having understood, or not acquiescing in, the authority of Sir John Child, or from events in India, which rendered general co-operation impracticable:—hence the failure of all the expectations which the Court had entertained, of rendering Bombay a Regency, of establishing a fortified station in Bengal, or of making Fort St. George of importance, and formidable to the contending Indian Powers in the Carnatic. These events had lowered the expectations of the Court, and required the most cautious conduct in the Company, at home, and in their servants, abroad.

The instructions of the Court, in this season, directed to three objects.

The consultations of the London East-India Company, in this year (1689-90), were directed to three distinct subjects: —their equipments and commercial instructions;—the establishment of the Company as an independent Indian Power, that, from a revenue to be raised at the seats of their trade, they might find funds for maintaining a force to defend them, and follow the example of the Dutch at Batavia, who had resisted the Country Powers, and, for a century, maintained a superiority in the Indian Seas, over the other maritime nations of Europe;—and the adoption of effectual measures to check the

Interlopers,

Interlopers, who were assuming a new character, or charging the Company with misconduct, and projecting applications to Parliament, for establishing a new East-India Company.

CHAP. III. 1689-90.

—to the abridgement of their equipments.

In their equipments of this season, the Court proceeded on the same cautious principles, on which they had acted during the Revolution; a caution which was rendered more necessary, by the immediate prospect of a war with France, and by the intelligence received, of the failure of the plan of obtaining a seat of trade and government in Bengal, and of the critical situation of Bombay, which had been besieged by the Mogul's forces and the Siddee's fleet. The equipments, therefore, were on a limited scale, because a large tonnage was, at this time, in the Indian Seas, acting under the orders of Sir John Child (of whose death they had not yet heard), and because, till accounts should arrive of the large property afloat, farther enterprizes were suspended. The Court, besides, could not, as yet, form any decided opinion of the support they were to receive from the Government, or know the actual state of their Settlements abroad. The equipments consisted of three ships only, the Chandos, the Benjamin, and the Herbert; two destined for Bombay, and one for Fort St. George; assigning to their servants, as a reason, their expectation that peace might be obtained from the Mogul, the difficulty of engaging seamen in England, from the approaching war with France, and the unsettled state of commercial affairs in England. If the Court hoped, from the new political relations in Europe, that a direct opposition was not to be expected from the Dutch

CHAP. III. 1689-90. in the East-Indies, they retained impressions of the insidious and avaricious conduct of that people, against which their servants must provide, and place their Settlements in a situation to resist their new ally, should he again find it his interest to become their rival, or their enemy.

With these views, the station at Retorah, in the Queen of Attinga's country, was ordered to be fortified in the strongest manner, to ensure a supply of pepper, independently of the Dutch; but no attempt was to be made to trade to the Spice Islands, on account of the amity between England and Holland, from the King and Stadholder being the same person:—measures, however, might be devised, for again opening a trade to Japan, the objection being removed, of the Queen being so nearly related to Portugal, and the Royal Family being now Protestants, as well as the Dutch:—though China silk and sugars had become a great drug in England, yet part of the surplus of the Company's stock might be sent by a large ship from Bombay to Amoy, in the hope of procuring an investment of other China goods:—the encouragement given to the Armenians was to be continued, because, through them, an assortment of taffaties and Bengal silks might be procured;—and it was hoped, the Europe goods in store, at Bombay and Madras, would be sold with profit.

The Government of Bombay were informed, that a Proclamation had been issued by the King, prohibiting the importation of French goods into England; and the Declaration of war against France was sent, with a warrant from the King, and a commission

commission from the Company, to the Governors of Bombay and Madras, and the Island of St. Helena, to seize and make prizes of French goods and shipping, and to grant commissions for that purpose:—the Presidency of Fort St. George were farther directed to take Pondicherry from the French, if they were of opinion that the possession of this port would contribute to the safety of the Company's settlements and trade.

The ships, in their homeward voyage, were to avoid touching at any of the ports in Ireland, on account of the war in that kingdom; to sail in company with the Dutch ships, and to direct their course round the North of Scotland, to avoid the French cruizers. The dry dock at Bombay was to be completed, that it might become a safe retreat to English shipping, and large quantities of iron-work were sent, for building or repairing vessels:—the harbour, also, was to be enlarged, wharfs made, and regular markets for provisions established, to render that port of commercial consequence to the Europeans and Natives.

The Presidency of Fort St. George were directed to suspend the plan of fortifying any new station in India, till they should receive orders from the Court, or from Sir John Child, and were blamed for withdrawing the Factory from Indrapore:—the fortifications of the Factory at Bencoolen were to be strengthened, that station being of importance for the pepper trade, and a certain number of Topasses were to be added to the garrison.

The

CHAP. III.
1689-90.
— to the establishment of the Company, as an independent Power in India.

The Court next took into consideration, the expediency of persevering in the plan for which the war in India had been undertaken, or the establishing themselves, at their principal Settlements, as an Independent Power in India. It is only necessary, on this subject, to refer to the measures which had been adopted, and to the failure of them, detailed at the close of the preceding period. The Presidency of Bombay were, however, instructed to make every effort to improve the revenue, as the only means by which this independence could either be asserted or maintained, or, in their own language, (which explains the ground of this resolution,) that "the increase "of our revenue is the subject of our care, as much as our "trade:—'tis that must maintain our force, when twenty accidents may interrupt our trade;—'tis that must make us a nation "in India;—without that, we are but as a great number of "Interlopers, united by His Majesty's Royal Charter, fit only "to trade where no body of power thinks it their interest to "prevent us;—and upon this account it is, that the wise "Dutch, in all their general advices which we have seen, write "ten paragraphs concerning their government, their civil and "military policy, warfare, and the increase of their revenue, "for one paragraph they write concerning trade."

Similar orders were issued to the Presidency of Madras; for though the Court approved of the increase made in the revenue, they considered it to be, by no means, equal to what might have been expected, or drawn from a fortified town, which could afford protection to shipping and trade, and that the

the amount might be increased to £100,000 per annum, if a similar system of taxation should be introduced, with that which the Dutch had established at Batavia. CHAP. III. 1689-90.

It was not till this season, that the Court received information of the failure of the negotiations at Surat, and that the Siddee's fleet were besieging Bombay; but this intelligence had produced a considerable sensation in England;—these misfortunes they ascribed to the imprudent measures, both at the Fort and in Bengal, which had exposed Bombay to imminent danger from the Mogul. The attempt made by the Presidency of Fort St. George, to purchase a peace at Golcondah, was strongly reprobated, and orders sent, that unless the terms which had been agreed on, between the Nabob of Bengal and Mr. Charnock, should be ratified by a Phirmaund from the Mogul, all the Company's Factories should be withdrawn, and their servants retire to Madras or to Bombay. If trade to Bengal should be opened, it was to be carried on by private merchants, on their own account, but small armed vessels might be employed, to make prizes of the Mogul ships, at the mouth of the Ganges, which, it was hoped, would bring that Sovereign to terms, more effectually than any other force which could attempt offensive measures. If a Phirmaund should be obtained, one condition was indispensable, or permission to fortify Chutanuttee, for which thirty or forty thousand rupees might be paid; and if acquired, this place was to be regulated in the same manner as the Dutch administered the government of Batavia.

The

CHAP. III.
1689-90.
—to oppose the scheme of the Interlopers making applications to Parliament for the establishment of a new East-India Company.

The third, and most important subject for consultation, in this season, was the projects of the Interlopers, which had assumed a new form, or presenting applications to Parliament, for establishing a new East-India Company, on the supposed misconduct of the London East-India Company.

The opinion which the Court of Directors conveyed to the Presidency of Fort St. George, on the 15th February 1689-90, was, that the Interlopers, or Private Traders (who, since the first Charter of the Company, and since its first exercise of exclusive privileges, had appeared in successive shapes) were now assuming the more defined characters of Associations, pretending to trade to ports within the Company's limits, to which their ships did not resort, and Associations connecting their enterprizes with Foreign Nations, at their seats of trade and factories in the East-Indies:—in each of these respects, the Court expressed its apprehensions, that they would undermine and invade the rights of the Company; and the events which took place, soon after the settlement of the Government, confirmed these anticipations.

It was not now, as in the preceding cases, a partial invasion of the Company's privileges, but a direct attack on the legal exercise of them; and the change in the Government opened a way, accommodated to general prejudices, respecting the validity of rights proceeding from a grant of the Crown, simply, or rights proceeding from a grant, founded on an Act of the Legislature.

The Company had, by their Charters, and by explanations of

of them, proceeding from the Crown, hitherto preserved the internal government of their Settlements, by exercising martial law, as that which was best accommodated to the maintenance of order in distant stations; and though they had, at Bombay and at Fort St. George, introduced Admiralty Courts, and Courts of civil and criminal Jurisdiction, the Island of St. Helena had, hitherto, been governed, in all cases of emergency, by martial law only:—It was against this rule of proceeding, in a small Island, which, in fact, was under the command of the Governor of the garrison, that the Interlopers, who had been laid under restraints in touching at it, promulgated reports, and inflamed the public mind against the Company, as governing in the most arbitrary manner. To obviate this complaint, the Court, on the 15th June 1689, directed the Governor of St. Helena to suspend the operation of martial law on the Island, and all prosecutions under it, until such time as the rights of the Company, to administer the government, could be more fully ascertained. (1)

Resolution of the House of Commons on this application of the Interlopers.

When the accounts reached England, of Bombay having been blockaded by the Siddee's fleet, and that Fort St. George was threatened with a siege, the Interlopers, in the true spirit of faction, exulting in the misfortunes of their country, instead of attributing them to their real causes, ascribed them to the misconduct of the Court of Directors, and then brought out the real truth, or their wishes to become themselves a new Company,

(1)—Letter from the Court to the Governor of St. Helena, 15th June 1689.

CHAP. III. 1689-90.

Company, on a separate Joint Stock; that is, to overset the Corporation which had carried on trade, and preserved the English Settlements in the East-Indies, for nearly one hundred years, and to substitute themselves in their place; or, that they were ready to undertake the East-India trade upon more broad foundations, and to administer it with greater wisdom and success.

With this object, an application was made to the House of Commons, and a Committee appointed, to consider of the East-India trade, before whom the proposition of the Interlopers, and the defence of the Company, were fully heard:—the public mind, at the same time, was agitated, by the printed attacks of the one, and defences of the other. The Committee, after deliberating on the subject, came to the resolution, on the 16th January 1689-90, "that it is the opinion of this Committee, "that the best way to manage the East-India trade, is to have "it in a new Company, and a new Joint Stock, and this to be "established by Act of Parliament; but the present Company "to continue the trade, exclusive of all others, either Inter- "lopers or Permission Ships, till it be established." (1)

Company determine to petition Parliament for an Act, to confirm their Charter and privileges.

The Company, sensible that the privileges which they had hitherto enjoyed, under grants of the Crown, could not, in future, continue to be their constitution, but that they must be exposed to attacks by their opponents, wisely decided, that it would be more expedient to yield to the new circumstances, under which they were placed, and to apply for an Act of Parliament, on the basis of which their rights might be confirmed,

(1)—Letter of the Court to the Presidency of Bombay, 31st January 1689-90.

firmed, and thus take advantage of the very arguments of which the Interlopers had availed themselves.

CHAP. III. 1689-90.

Interlopers offer to raise a stock of £180,000 for a New Company.

The Interlopers, on the basis of the resolution of the Committee of the House of Commons, subscribed £180,000 for a new Joint Stock; but, before the resolution of the Committee could be reported to the House, the Parliament was prorogued, on the 27th January 1689-90, and immediately afterwards dissolved, and a new Parliament summoned to meet on the 20th March 1689-90. This event put a stop to the proceedings of the Interlopers; and the Company, therefore, hoped to carry on their commerce without farther interruption.(1)

It is natural to suppose, that these proceedings of the Interlopers were founded on an imitation of the separate Chambers of the Dutch Company, and that they expected a similar system for the East-India trade might be introduced into England; leaving, however, out of view, that, in the Netherlands, the East-India Companies had been engrafted on the Constitution of the States General, and the support of them made a part of that Constitution; whereas, in England, the London Company, as a Corporation, had only been authorized by the Crown, or, if its Charter should now proceed on an Act of Parliament, it still must remain a Corporation only, enjoying

M 2 exclusive

(1)—Letters of the Court to the Presidency of Bombay, 1st and 18th May, 11th September 1689, 31st January, 14th March 1689-90.—— Letter from the Court to the Presidency of Fort St. George, 11th September 1689.—— Letter from the Court to the Governor of the Island of St. Helena, 15th June 1689. (Commons' Journals, vol. x, pages 345—347.)

CHAP. III. 1689-90. exclusive privileges, for a certain term, without being assimilated, or making a part of the Constitution of England.

Recapitulation of events in the Company's foreign Settlements, during the preceding seasons.

The foreign transactions of this season having been detailed in the preceding chapter, with the view of ascertaining the effects of the Revolution in England on the Company's Settlements, it is necessary only, in this place, to refer to the total failure of the measures which had been so ably concerted by Sir John Child, for rendering BOMBAY a Regency, and for obtaining privileges of trade at SURAT, and on the West of India. The death of that able servant of the Company, and the Phirmaund which Aurungzebe granted, had placed the trade and privileges, on the West of India, in a worse situation than they had been, since their establishment.

At FORT ST. GEORGE, for the like purpose of ascertaining the effects of the Revolution in England on the Company's Settlements, on the Coromandel Coast, and in BENGAL, the detail of events, which, in the order of time, would have been introduced into this place, was anticipated, or that the failure of the different armaments in the objects for which they were sent to Bengal, had compelled the Agents in that Settlement to retire to Madras; that the Mogul, after his conquests of Visiapore and Golcondah, had expelled the English from their subordinate Settlements, though he had not laid siege to Madras itself; and that a revolution had taken place in Siam, which had changed

changed the object of the war against that Sovereign, though it had not re-established the Company's Factories.

CHAP. III. 1689-90.

The commercial proceedings at these different seats of the Company's trade, during this eventful period in Europe, and while the power of Aurungzebe was unlimited in India, were vague and precarious, and remained so, till instructions, and additional stock and reinforcements should arrive from Europe:—at each of the Settlements, however, the new Government in England had been acknowledged, in compliance with the orders of the Court of Directors.

1690-91.

CHAP. III.
1690-91.
Court endeavour to obtain an Act of Parliament to counteract their commercial opponents.

THE war against France, which had commenced in the preceding season, had fixed the attention of the country, and of Parliament, on that object only; a circumstance, which explains the spirit of the instructions of the Court to BOMBAY, during this season, as partly continuing the plans of precaution which had marked them from the commencement of the Revolution, and, partly, giving hopes to their foreign Settlements, that they might be enabled, more effectually than in former times, to counteract the projects of the Interlopers, by having their exclusive privileges of trade established by Act of Parliament.

The Court were satisfied, that under the new system in England, it was impossible to prevent, what they described as piracies in India, that is, aggressions by the ships of Private Merchants proceeding to those seas, (on a presumed liberty of trade) without authority from Parliament, or from the Company, and frustrating the sales of Europe produce in the Indian market, by selling rather with a loss, than not depress the Company's affairs at home; or, by appearing in the Indian Seas as real pirates, fitted out in the West-Indies, for the purposes of depredations on the ships of the Country Powers:—these events had rendered any applications for privileges ineffectual,

ineffectual, as the Native Powers could not distinguish between ships carrying an English flag, and yet acting with hostility, and a Company's ship carrying the same flag, which not only acted under regulations, prohibitory of such violence, but conformably to such privileges as they had been allowed still to enjoy, under their Phirmaunds.

CHAP. III. 1690-91.

On these grounds, therefore, the Court expected, that they should obtain, by Act of Parliament, powers to enable them to counteract the piracies of both descriptions, or give them the same authority that the Dutch Company had exercised, which had all the powers the States General could confer on them.

Commercial instructions to the Presidency of Surat.

As, however, the applications of the Company to Parliament, as well as the representations of the Interlopers, were still pending, the Court informed the Government of Bombay, that they must proceed, in the administration of that Settlement, with the same caution which had marked their conduct in the former year, and that, though the Company expected to be able to liquidate all their debts in England, from the proceeds of the autumn sales, yet, till they could ascertain upon what system they were to act, by public authority, the equipments for this season must be on a limited scale, or three ships; the Tonquin, for Bencoolen, to bring pepper for the home market; the Dorothy, for Fort St. George, for Coast goods, and to include what might be collected from Bengal; and the King William, for Bombay, with a stock of £50,000, to obtain a cargo of such produce as might be collected from the Malabar Coast, and the other dependencies of Bombay. Under these circumstances,

CHAP. III. 1690-91. stances, the Court ordered encouragement to be afforded to the Armenians, because that people could vend English woollens, by carrying small quantities into the interior provinces, and could collect fine muslins, and other new and valuable articles, suited to the Europe demands, better than any agents of the Company could effect, under any Phirmaund or grant which might be eventually purchased :—the Court also directed, that indigo and drugs might be sent for the home market (particularly indigo), for which, in the present state of Europe, there was a considerable demand. As, however, a duty of five shillings per pound had been laid on teas, the Court prohibited any to be sent, but of the finest kind, on the Company's account; an order which was evidently unfavorable to the efforts which had been making to extend the trade to the China Seas, and not improbably arising from the quantities of that article, brought by the Dutch into the Europe market, from their having the almost exclusive possession of the trade of those seas; and from the inexpediency of attempting any rivalship, at a time when it was necessary, from the state of affairs in Europe, to avoid questions between the two Governments, allied so strictly to prevent the preponderance of France.

Mr. Harris appointed President of Surat and Governor of Bombay.

Having heard of the death of Sir John Child, the Court appointed Mr. Harris (so frequently mentioned in the Annals of the preceding years) to be President of Surat and Governor of Bombay, the rank and title of *General* being now dropt, and the controling power, of course, suspended; and Mr. Vaux to be

be Deputy Governor of Bombay, the fortifications of which place were to be improved, to render it impregnable, either to an European or Indian enemy;—a reinforcement, also, of one hundred and fifty soldiers was sent, to make the garrison more efficient.

CHAP. III. 1690-91.

The Court desired, that their ships, in their homeward voyages, might proceed directly to Barbadoes, from which port they might sail for England with the West-India trade, under the protection of the convoys appointed for it, that both trades might be in safety from the French cruizers or fleets. (1)

Instructions for reviving the Persian trade, and recovering the arrears of customs at Gombroon.

Having, from local as well as commercial relations, found it convenient to connect the orders of the Court, respecting the Persian trade, with those for Surat and Bombay, we have to refer only to the information from these Presidencies, and from PERSIA itself, to understand the instructions of this season to the Agent at Gombroon, for reviving the Company's trade with that country. The war between the Company and the Mogul, did not affect the trade with Persia, in the degree which might have been expected; and while the superiority at sea continued, it impressed the Persians with an idea, that the contest would terminate favourably for the Company. In these circumstances, the order was repeated, that Caramania wool and Persian silks should be obtained, by barter, for English cloths, rather than by purchase; imitating the Dutch, who, by bartering the finer spices, had nearly engrossed those articles.

 If

(1)—Letter from the Court to the Presidency of Bombay, 3d October 1690.——Letter from the Court to the Presidency of Surat, 18th February 1690-91.

CHAP. III. 1690-91.

If the right to the customs at Gombroon had been admitted, after the war in India took an unfavourable turn, yet the trade not only became more difficult, but the payment of the customs withheld, till reparation should be made for the losses which the Persian trade had sustained, during the hostilities between the Company and the Mogul.

The Court, therefore, directed their Agent at GOMBROON, to make a demand of payment of the arrears of customs; to permit the Armenians to load what goods they might think proper, on the Company's ships, for Europe; to purchase whatever quantity he could obtain of Caramania wool and silks, with a proportion of wormseeds, rhubarb, and lapis lazuli, and to send the surplus stock to Bombay. (1)

Orders to Fort St. George, to reduce the military establishments, and to suspend the forming of new Factories.

In the instructions to FORT ST. GEORGE, the Court recapitulated the information communicated to Bombay, to account for the limited equipments of this season, explaining that, though the Act for settling the East-India trade, or for confirming the Charter of the Company, had been twice read in the House, and committed, the Court did not expect that it would pass during the existing session, but entertained no doubt, that an Act would eventually pass, confirming their Charter and privileges:—under this impression, they desired that no new Settlement or Factory, for trade, should be attempted, till the Company's rights should be recognized by the Legislature, and till

(1)—Letters from the Court to the Agent and Factors at Gombroon, 3d October 1690, and 18th February 1690-91.

till they should be possessed of the same authority which the Dutch exercised, for suppressing pirates and Interlopers; mean time, that there should be no other Factories on the Coast but Conimere and Vizagapatam, and none attempted at Pegu, Siam, Borneo, or Canton; and this last exception originated in the caution regarding the China trade, which marked their instructions to Bombay.

CHAP. III. 1690-91.

Considering the fortifications at Fort St. George as not needing any addition, it was ordered, that the company of artillery and troop of horse should be increased, and regularly exercised; but that one of the companies of infantry should be disbanded, and the men, if willing, sent to Bombay, or to Bencoolen.

One Factory only to be continued in Bengal, and Agent Charnock empowered to dismiss any of the Company's servants in Bengal, without appeal.

On comparing these general instructions to Fort St. George with the particular orders to the Agent at BENGAL, we discover that the Court's intentions, during the war with France, were to have one Factory, only, established in Bengal, but to employ Agents, with stock to make purchases in the country, who were to return each season to Fort St. George, to settle their accounts:—one half of the surplus stock was to be employed in this experiment, and the other remitted to Surat.

Mr. Charnock, the Agent, was more specifically directed to have only one Factory in Bengal, and a subordinate Agent at Ballasore:—he was to keep as small a stock in the country, as was consistent with the continuation of the trade, which was to be vested chiefly in silks and fine muslins, which, hitherto, had found a good market in Europe:—as a separate

N 2 instruction,

CHAP. III. 1690-91. instruction, he was to grant encouragement to the Armenians, and to persuade them, if possible, to procure fine goods from Benares, which brought a high price in Europe.

That disputes in Bengal might not again be prejudicial to the Company's interests, the Court vested Mr. Charnock with power to dismiss any of their servants, who might oppose his administration of their affairs, and prohibited any appeal from his orders to the Presidency of Fort St. George. (1)

York Fort, at Bencoolen, to be strengthened, and the Factory at Indrapore withdrawn.

The Court, on reviewing the information received from BENCOOLEN, during the two preceding seasons, and the importance of having a station, from which they could draw a proportion of pepper, approved of the general conduct of the Governor, and directed that the fortifications should be strengthened, and no expences spared, to place York Fort in the most respectable state of defence; negroes were sent from Madagascar, to strengthen the garrison, as their constitutions were better suited to the climate than those of the Europeans. The Court also approved of the method of administering their affairs, by allowing the Natives to look up to their own Rajahs for protection, because these Rajahs, under proper encouragements, could manage the people more easily than it would be possible for any Company's Governor to do:—the Agent, at the same time, was vested with discretionary powers, to continue or to withdraw

(1)—Letters from the Court to the Presidency of Fort St. George, 9th May, 3d October, and 19th December 1690, and 18th February 1690-91.—— Letter from the Court to the Agent and Council at Bengal, 18th February 1690-91.

withdraw the Factory from Indrapore, and to give encouragement to such Chinese merchants or traders, as should be disposed to settle at Bencoolen, under the Company's protection. The whole of these instructions were intended to ensure, by every practicable means, a permanent and independent pepper trade. (1)

CHAP. III. 1690-91.

Mr. Harris proclaimed Governor of Bombay, and Mr. Weldon Deputy Governor.

The embarrassed situation of the Governments, both of BOMBAY and of SURAT, from the death of Sir John Child, and from the circumstances under which the Phirmaund of Aurungzebe had placed the Company's trade, prepares us to look with anxiety, to the expedients which their remaining servants adopted, to preserve Bombay, and, if possible, to re-invigorate the trade on the West of India.

On receiving the orders of the Court, Mr. Harris was proclaimed Governor of Bombay, and Mr. Cooke (for Mr. Vaux was dead) Deputy Governor; but, the death of the latter, in the course of the season, opened the situation to Mr. Weldon, who had been employed in the Mogul's camp, in Visiapore, to negotiate the Phirmaund, and who had returned to Bombay, with eight of the Company's servants, who had been prisoners.

Mr. Weldon's report on the state of affairs at Bombay, and

The actual circumstances of the Island, the new Governor and Council, after recapitulating the intelligence of the evacuation

(1)—Letter from the Court to the Agent and Factors at Bencoolen, 9th May 1690.

CHAP. III. 1690-91. the measures required to place it in a respectable state of defence.

tion of the stations occupied by the Siddee's forces and fleet, described as follows:—that, the ruinous and neglected state of the fortifications had encouraged the Siddee to make the attack, and to disembark his troops, without the Mogul's orders;—that had the fortifications been sufficiently strong to prevent his landing, more favorable terms would have been obtained, than were granted by the Phirmaund; that, in fact, such was the defenceless state of the Island, that the conquest of it was prevented, more by the jealousy of Muchtar Khan, of the influence which the reduction of it would have given to the Siddee, than by the power of the garrison to defend it.

To prevent the recurrence of similar dangers, the Governor, in all his letters to the Court, pointed out the necessity of additional fortifications;—that a walled town should be built, with ramparts to defend it, which would induce the monied merchants, or traders, to live under the protection of the English;—that, by such an influx of inhabitants, the revenue would be encreased;—that the merchants' stores would become a security for their residence, and enable the Governor to carry his orders into effect, or, in general, would re-establish the Company's power in the Island, and confirm their government over the inhabitants.

The Deputy Governor and Council next described the weak state of the garrison, which, from a pestilential disorder, was, at this time, reduced to thirty-five English soldiers only, and that, though they had a sufficient number of Topasses, their military

litary services could not be depended on, as they could only be employed in raising the additional fortifications, but not trusted to defend them;—that, during the war, they had employed, with considerable effect, a number of black soldiers, whom they could not, with safety, dismiss, but had divided the uncultivated lands among them for their maintenance, the Company to receive one moiety of the produce; an additional stock, and a supply of civil servants, both for Surat and Bombay, would, therefore, be required, and a large reinforcement of recruits, to render the European part of the garrison efficient.

The Jesuits land at Bombay seized for having assisted the Siddee in the invasion of the Island.

Having thus explained the general circumstances of Bombay, the Deputy Governor and Council signified, that the Jesuits on the Island had been active, during the invasion of the Siddee, in promoting his views, and, therefore, that they had seized on all the lands owned or occupied by them, but had deferred any final decision on this subject, till the arrival of the President from Surat, who would judge of the claims of those people, and restore their lands to such of them as could exculpate themselves, or confirm the right of the Company to such portions as had been the property of the guilty. This measure, however expedient, it was feared, might induce the Portuguese to attack the Island; but, that it should be kept in as good a state of defence as was practicable. It was, at the same time, resolved to fortify, as well as their means would allow, Retorah, in the Queen of Attinga's country, and to erect buildings at Tellicherry, that they might bring to Bombay

a proportion

CHAP. III. 1690-91.

a proportion of produce, from the Malabar Coast, or render the investments not wholly dependent on such goods, as could be purchased at Surat.

The Mogul agrees to pay the English 80,000 Rupees, as a compensation for the goods plundered during the war.

During these events at Bombay, Mr. Harris, who still contiuued at Surat, reported, that the intentions of the Mogul towards the English appeared more conciliatory; for, at the close of the season, he had agreed to pay eighty thousand rupees, as a compensation for the goods which had been plundered from the English Factory, and that it was understood, a more favourable Phirmaund had been procured for the Bengal trade.

As commercial information, Mr. Harris added, that three ships had taken in pepper at Calicut and Carwar, without proceeding to Surat, which would convince the merchants of that port, that the English could make up assortments, independently of the goods they might furnish.

King's declaration of war against France proclaimed at Surat.

The Presidency were in this political and commercial situation, when their Majesties' declaration of war against France arrived, which had been proclaimed, and forwarded to Fort St. George, and the subordinate Factories.(1)

Persian trade obstructed by the Dutch, and payment of customs at Gombroon postponed.

The information from Persia, which, from local and commercial circumstances, was connected with Bombay, discovers, in this season, a view of the difficulties of reviving that trade, connected with the right of the Company to half the customs at Gombroon, and of eradicating from the Dutch

(1)—Letters from the Presidency of Surat and the Governor of Bombay to the Court, and Correspondence between Surat and Bombay, 30th June, 30th December 1690, 15th January, 9th and 25th February 1690-91.

Dutch, as ancient rivals in the Indian trade, those jealousies and misrepresentations, which had obstructed the Company's progress from their first establishment. It appears, though the Dutch, as on former occasions, had made a common cause with the English, in Europe, that symptoms of opposition to the English trade, could still be discovered in the East. After the restoration of peace between the Mogul and the Company, the Persian Government, though they admitted the right to the moiety of the customs at Gombroon, pleaded, that the amount of them had diminished, as the merchants had chiefly traded, during the war, with the Portuguese port of Cong:—the Agent, on this occasion, was afraid, that a demand might be made by the Persian Government for some compensation, as a set off against the payment of the Company's share of the customs, and, therefore, had sought only the payment of the arrears, and obtained from the Shahbunder, a promise to pay one year's customs, and the remainder when it might be practicable;—farther, that he had received 1,995 chequins, and subsequently 1,500 more, though two years' customs were still due.

Another difficulty, or the conduct of the Dutch, is stated by the Agent to have been most adverse to the Company's interests:—a Dutch Ambassador had arrived in Persia, with a splendid retinue and large presents, and proceeded to Ispahan, with the professed object of engrossing the whole trade in Caramania wool, in exclusion of the English

CHAP. III. 1690-91.

English, whose situation, both in India and in Europe, he had represented in the most unpromising light, and, to convince the King of the fact, presented a copy of the last unfavourable Phirmaund to the English at Surat, and thence argued, that they could not, under such authority, revive their Indian trade, or make it of importance to Gombroon;—that their situation in Europe, besides, was equally humiliating, as they were now subjected to the States General, whose Stadtholder had become their Sovereign:—the Agent, therefore, requested the Court to obtain a letter from His Majesty to the King of Persia, accompanied with suitable presents, as the most effectual means of refuting the falsehoods and misrepresentations by which the Dutch Ambassador was endeavouring to acquire an exclusive monopoly of the Persian trade.(1)

Presidency of Fort St. George propose a new Phirmaund should be obtained at Madras and Bengal.

The communication from FORT ST. GEORGE during this season, discovers not only that this Presidency had not received the instructions intended for them (detailed in the home transactions), but that, under all the circumstances of this Settlement, and its relation to Bengal, they were obliged to act, in the same manner as they had done in the preceding season:—after expressing to the Presidency at Surat, the vexation they experienced, on perusing the Phirmaund for Surat, which they termed "infamous and scandalous," they gave it as their opinion, that it never would have been accepted, or the conditions in it complied with, had Sir John

(1)—Letters from the Agent and Council at Gombroon to the Court, 21st June and 20th October 1690, and 10th and 27th March 1690-91.

John Child been at the head of the Government; but, as affairs were situated, they recommended to the new President of Surat, and Governor of Bombay, to use their endeavours to obtain a Phirmaund for the Bengal trade, and a regular Phirmaund for Madras, including an order for the restoration of the servants and goods seized at Masulipatam, and other Factories on the Coromandel Coast. If these Phirmaunds should be procured, they should contain authority to revive the trade in Bengal, and give security to the Company's servants more defined than the Phirmaund to Surat, or that all applications for them should be relinquished.

CHAP. III. 1690-91.

Trade at the Fort at a stand, and Mr. Charnock sent to Bengal, to resettle Factories, on the basis of a new Phirmaund.

The circumstances of Fort St. George continued in the same situation as in the preceding year;—the Mogul's army had been successful against the Ram-Rajah, whom the Presidency were apprehensive he would finally subdue; and, from the devastations occasioned by the contending armies, trade was at a stand;—Mr. Charnock and his Council had proceeded, with a large stock, to open a new commercial intercourse with Bengal, an enterprize, to which the Presidency had been encouraged by an invitation from the Nabob:—Mr. Charnock was favourably received on his arrival, and, subsequently, had procured a Phirmaund for Bengal, dated the 27th April, in the thirty-third year of Aurungzebe's reign, the preamble to which specified, that the Mogul, (as at Surat) having pardoned all past offences, had granted liberty of trade to the English in Bengal, without interruption, but explained, that this permission must be understood as allow-

CHAP III. 1690-91.

ing former privileges, only, without exacting any fine from them: —the commercial effects of this Phirmaund will appear in the foreign transactions of the subsequent year.

Declaration of war against France proclaimed at Fort St. George, and an indecisive action between the allied Dutch and English squadrons and the French fleet.

The Presidency of Fort St. George had received the King's declaration of war against France, with information, that a French fleet of six sail had left France, in February 1689-90, which had arrived in the Indian Seas;—on its outward passage, it had fallen in with the Company's ship Herbert, at Johanna, which, after a very brave defence, had, towards the close of the action, unfortunately blown up, and the majority of the crew perished;—subsequently, the French fleet captured two valuable Dutch ships from Ceylon, and afterwards proceeded to Pollicherry. On the 20th August 1690, the Dutch and English fleets having formed a junction, an action took place with the French fleet, off Madras, which, though obstinate, was indecisive:—the French were, at last, repulsed with loss, and were supposed to have proceeded towards Bengal, a destination which occasioned considerable uneasiness for the safety of the Company's shipping and trade in that part of India. (1)

The pepper trade at Bencoolen, in this season, was on the increase, but cruizing sloops were necessary, to convey to York Fort the pepper collected at the different ports along the Coast

(1)—Letters from the Presidency of Fort St. George to the Presidency of Surat, 22d July, 27th August, and 4th September 1690.—— Copy of Phirmaund for Bengal, 27th April, 33d year of Aurungzebe's reign (1690-91.)—— Relation of the Arrival of the French Ships in the Indian Seas, (1690.)

Coast of Sumatra;—In prosecution of the general orders, to encrease the purchases of pepper, the Agents had received every encouragement to settle at Sillebar, but would not, without instructions, carry this plan into execution; and requested a large supply of stock and stores, and particularly of troops, to enable them to put Bencoolen in a state of security.[1] CHAP. III. 1690-91.

(1)—Letter from the Agent and Council at Bencoolen to the Court, 22d June 1690.

1691-92.

CHAP. III.
1691-92.
House of Commons refer the Company's claims, and those of the Interlopers, to the King.

THE attention of the Court, during this season (as in the preceding one), was chiefly directed to the preservation of their rights, as a Company, by endeavouring to have them protected by an Act of the Legislature, but, at the same time, to ground their claims on the grants which they had successively received from the Crown.

It appears, that the House of Commons, after hearing the claims of the Company, and of the Associations for participating in the Indian trade, had referred the whole business to the King. As this reference more immediately placed them under the Royal protection, the Court continued to act towards their opponents, the Interlopers, in the same manner as they had done in the latter years of the two preceding reigns, and granted commissions to all their captains, proceeding this season to India, to seize the Interlopers of every description, and to bring them to trial before the Admiralty Court at Bombay, explaining, that as they attributed all the differences, between the Company and the Indian Powers, to the Interlopers, if they continued their depredations on the subjects of the Mogul, or King of Persia, they were to be tried for their lives, as pirates, and sentence of death passed, but execution stayed, till the King's pleasure should be known. This proceeding the

Court

Court rested upon the opinion of the twelve Judges, which was, "that the Company had a right to the trade to the East-Indies, "according to their Charter."

Court ascribe the war with the Mogul to the interferences of the Interlopers.

Reverting to the origin and termination of the war with the Mogul, the Court vindicated its justice, by the necessity of the case, and traced this necessity to the continued oppressions of their servants by the Mogul officers, and to the evils which they had experienced from the Interlopers, which had afforded an excuse to the Mogul, who could not distinguish between licensed and unlicensed English Traders, more particularly since the latter, on many occasions, had represented themselves, though falsely, to be protected by the government. The Court had, however, now the consolation (though the issue of the war had not corresponded with the magnitude of the equipments, or their expectations) to reflect, that they had rendered the English nation more respectable, both in Europe and in India; and though they approved of the proceedings of the late Sir John Child, who had been faithful and honourable, yet that the war had been more disastrous, from his not having sufficiently fortified Bombay and Retorah, conformably to orders; measures which, therefore, they positively enjoined Mr. Harris to carry into effect. For this purpose, he was confirmed President of Surat and Governor of Bombay (with a salary of £300 per annum), and with the majority of the Council, vested with authority to dismiss any of the Company's servants, who might be guilty of disobedience of orders, particularly for corresponding with the Interlopers,

CHAP. III. 1691-92.

Interlopers, several of whom had got possession of the Company's original instructions.

Bombay ordered to be again made the chief seat of Government.

Bombay, at this period, was again declared the chief seat of Government in India, and the residence of the President; the fortifications ordered to be repaired and increased, and the fort at Retorah to be strengthened, the Court being in amity with the Dutch.

Court approve of the seizure of the Jesuits' lands

As the revenues of Bombay were essential to the maintenance of their civil and military servants, and the preservation of the trade, the Court directed that they should be improved, by every practicable means, and explained, that the measure of confiscating the lands of those who had deserted them, during the invasion of the Island, had already been justified, by the precedent of Signior de Tavora, which had been decided by Charles II. and the Privy Council, twenty years before the present case occurred; but desired, that the lands might be restored to such of the claimants as might be found innocent.

Court's answer to the memorial of the Portuguese Envoy, relative to the military services of the inhabitants of Bombay.

This resolution appears to have originated in the conduct of the Portuguese inhabitants of Bombay, who, during the Dutch war, and that with the Mogul, refused to assist in the defence of the Island, and claimed exemption from military service :—in this claim they were supported by the Portuguese Envoy in London, who presented a memorial in their favour to the King, founded on rights under the former Portuguese dominion at Bombay. In answer to this memorial, the Governor and Committees of the London East-India Company stated, that the inhabitants of the Island of Bombay, while

while they were subject to the King of Portugal, paid one-fourth part of the profits of their lands, as a quit-rent, which President Aungier, soon after the Island came into the possession of the Company, commuted for a quit-rent of twenty thousand xeraphins per annum, reserving to the Company, as representing the King, the right to the military services under which the lands were held of the Crown of Portugal;—that during the late war with the Mogul, not only the payment of this quit-rent had been refused, but the right to the military services denied, and, during hostilities, the Portuguese inhabitants had, by refusing military aids, forfeited the rights to their lands, though it was admitted that they, by the cession of the Island to England, had become subjects of the King, to whom, by their tenures, they were bound to afford military services, either personally or by substitute, more particularly in cases of invasion; and that the lands held by ecclesiastics were equally bound to furnish military service, either by the possessors, or by their substitutes;—if, therefore, it was considered, that the Island, since being granted to the Company, had required for its defence, by fortifications and by garrisons, so large a sum as £400,000, particularly during the wars between the Mogul and the Hindoos, this claim of exemption from such service was unreasonable, more particularly, when the practice of the native inhabitants of Madras, and of all the other English, Dutch, French, and Danish colonies in India, could be adduced as evidence, that such services were admitted and general.[1]

CHAP. III. 1691-92.

(1)—Answer of the East-India Company to the Memorial of the Portuguese Envoy, relative

CHAP. III.
1691-92.
Measures for encreasing the military establishment at Bombay.

The Court next approved the retaining the Gentoo soldiers in their service, and assigning them portions of lands for their maintenance:—they were also to be allowed half-pay, but, in this case, the Company were to receive half the produce of their lands; a regulation the more expedient, from the difficulty of finding a sufficient number of recruits in England to strengthen the garrison. To obviate the danger arising from entrusting the defence of the place to the Natives, the Court recommended to the Presidency, to engage (if they could be obtained) about sixty Armenian Christians, to serve as soldiers, and to offer them a bounty of forty shillings per man, and the same pay as the English soldiers, because, professing nearly the same religion, and being, in other respects, of good character, they might be deemed almost a regular part of the Company's military establishment. As the efficient strength of the garrison must always depend on English soldiers, and as recruits could not be sent from England during the war, the President might embody about sixty Madagascar negroes (their constitution rendering them equal to the most laborious duties) to be commanded by English officers: and the same number of Arab Lascars, whose bravery and active services could be more depended on.

Commercial instructions for the season.

The equipments of the season consisted of five large ships, two or three of which were for Bombay; but the hiring country vessels on freight was to be discontinued:—forty rupees were to be paid for the Company's passes, granted to country

relative to the Military Services of the Portuguese Inhabitants of the Island of Bombay, 18th March 1691-92. (East-India Papers in the State Paper Office, Part ii. No. 22.)

country ships, which would encrease the revenue, and prevent Interlopers, or pirates, from trading in the Indian Seas:—the encouragement given to the Armenians ought to be continued, and a duty of one per cent., only, taken from them, for goods imported from Europe into India:—on the homeward-bound ships, a thousand tons of saltpetre, at least, were to be sent from Bengal, it being understood the French were sending ships to that country, this season, for this service only.(1)

Persian trade to be promoted, by encouraging the Armenian merchants.

If the instructions to Mr. Gladman, the Agent in PERSIA, (whose conduct was approved of by the Court,) discover caution, with respect to the Dutch, they mark a determination to extend, by every means, the trade to that country; Mr. Gladman was to continue his detail of the progress of the Dutch embassy, and without giving any ground of complaint, to use his endeavours to prevent them (notwithstanding the amity between the two nations in Europe) from acquiring an exclusive trade in any of the Persian commodities:—he was, also, to procure all the Caramania wool that he possibly could purchase.

After expressing their opinion of the integrity of the Armenians, the Court recommended, that if this people could engross the whole trade in Persian silks, this article might be allowed to be imported into Europe by them, on the Company's ships; and that, through them, the Agent should push the sale of English broad-cloths,

(1)—Letters from the Court to the Presidency of Bombay and Surat, 13th May, 25th September 1691, and 29th February 1691-92.

CHAP. III. 1691-92.

broad-cloths, of which a thousand pieces, of proper colours, had been shipped. On viewing all the circumstances of this trade, the Court were of opinion, that as three thousand pieces of broad-cloths were annually used in the kingdom of Persia, the sale of this staple might be extended, as a most profitable and popular measure; and founded this opinion on the fact, that as the Company paid no customs in Persia, and the freight from Bombay was small, they might sell cloth at cheaper rates, than the cloths which came from Aleppo, to the Persian market, without such advantages:—any surplus stock at Gombroon was ordered to be remitted to Bombay, and applied to the investment from that part of India. (1)

Mr. Yale dismissed, and Mr. Higginson appointed President of Fort St. George.

The instructions to the Presidency of FORT ST. GEORGE, this season, regarded rather the internal administration, than the trade. The general amount of the equipments, with the proportion consigned to Bombay, ascertains the tonnage intended for the Fort and for Bengal:—the Court estimated the remaining dead stock at the Fort at £400,000; and calculated, that the remains of Europe goods, ordered to be sold, would afford an additional fund for an investment in Coast cloths. There is a deficiency of commercial information, in this season, which arose from the dissentions between President Yale and his Council; Mr. Yale was, therefore, dismissed the service, and censured, for having relinquished the West Coast, or Sumatra trade, and Mr. Higginson was appointed President of Fort St. George.

The

(1)—Letters from the Court to the Agent and Council in Persia, 13th May, 25th September 1691, and 29th February 1691-92.

CHAP. III. 1691-92.

The appointment, however, of Mr. Higginson, was considered not to be a sufficient remedy for the evils arising from the dissentions at the Fort, for, at the end of this season, the Court appointed Captain (afterwards Sir John) Goldesborough, to be Commissary General, and Supervisor over all their affairs in India, that is, vested him with authority to make a full investigation into the origin and nature of all disputes, and to frame such regulations, as might give greater consistency to the future proceedings of this Presidency, with power to dismiss any of their servants, who might, after full examination, be found culpable. Sir John Goldesborough's instructions were;—on the voyage, to hoist his flag, as Admiral, after passing the Soundings;—to proceed, in the first instance, to Fort St. George, and after having fully examined the matters in dispute between Mr. Yale and the Council, and decided between them, to go next to Bencoolen, and examine into all the facts regarding the trade at that port, and place it under such regulations, as might ensure the Company the largest supply of pepper and other produce:—the Court, however, on consultation, did not (as far as the facts were known to them) consider it to be necessary for him to proceed to Bengal, because the confidence which they reposed in Mr. Charnock, rendered him the best judge of the means of re-establishing the trade in that province.

Sir John Goldesborough appointed Commissary General and Supervisor of the Company's Affairs in India.

The new President and Council, in the mean time, (till the arrival of Sir John Goldesborough) were to direct their attention to the improvement of the revenue of Madras, which the Court held did not amount to one-fifth of

Directions respecting the buildings and revenues of Madras.

CHAP. III. of what it might yield, under an efficient administration.
1691-92. This opinion they illustrated, by the analogy of the Dutch, who drew, at this time, a revenue from Batavia, estimated at £230,000 sterling, per annum; and were the Dutch in possession of so strong a situation as Madras, which was as favorably situated for the Coromandel Trade, as Batavia was for the Southern Trade, they would soon realize a revenue, equal to that of Batavia:—it was, therefore, resolved, that the quit-rents should be increased, by a progressive duty on houses, taking a scale, from four to eighteen fanams each house;—and next, that a duty should be imposed on licences for public-houses, kept by Europeans, in a scale from five to forty pagodas per annum, according to their magnitude or trade; and on the public-houses, kept by Natives, a similar duty of from one to four pagodas per annum:—the orders, therefore, for inclosing and raising fortifications round the Black Town, were to be carried into effect, which would facilitate the collection of the revenue:—the expences of these fortifications were to be defrayed by the inhabitants, who derived protection from them, not by the Company:—the Christian part of the town was to be extended, and to form a quadrangle, with handsome stone bridges over the river, and one quarter of it to be assigned to the Armenians, who might be able to induce skilful artificers to settle at a place, at which they would be under the protection of the Fort, without being exposed, as they had hitherto been, to depredations by the belligerent powers in the Carnatic:—in this quarter, the Armenians were to be permitted to build a church,

at

at their own charge, and houses for the merchants, on payment of ground rents to the Company. This order is accompanied with an interesting account of that distinguished class of merchants. The quarter set apart for the Armenians was to be called *Julpha*, "that being the town from which Shah-"Abbas the Great had brought them, when he conquered "Armenia, and settled them in a suburb of his new-made me-"tropolitan city, Ispahan, and called the quarter he allotted "there to the Armenians, *Julpha*, by the name of the city from "whence he brought them, and they are increased there to be "the richest people, and the most expert merchants we know "of, in the universe."

Regulations for the Court of Aldermen at Madras.

These improvements at Madras, proceeding upon the plan of increasing the native inhabitants, explain the order given respecting the Corporation, into which, the Court were of opinion, too many Englishmen had been admitted, to the office of Aldermen, and therefore recommended, "that, in future, the "Aldermen should be of different casts, *viz.* one Armenian, one "or two Hebrews, one or two Portuguese, one or two Gentoos, "and one Moor or Musselman."

Factories at Conimere and Cuddalore withdrawn, and a new settlement purchased at Tegnapatam.

On the subject of the Factories, subordinate to the Fort, the Court ordered those at Conimere and Cuddalore to be withdrawn, as a purchase had been made from the Ram-Rajah, of a new Settlement at Tegnapatam :—This Settlement, with Madras and Vizagapatam, were to be the only established stations of the Company on the Coromandel Coast ;—in each, the Armenians were to be encouraged to settle, because the charges of an

English

CHAP. III. 1691-92. English Chief, in a subordinate Factory, amounted to more than twenty Armenian merchants would cost, in procuring the same goods. For the better regulation of the Company's interests, an Attorney General was to be appointed for Fort St. George.

Retrenchment of the military establishment at Fort St. George.

The orders respecting the garrison, of the preceding year, were in substance repeated, with the alteration, that the two companies of infantry were, in future, to be commanded by Lieutenants only:—the President, and First of Council, who were to be Captains, were to have no pay, in time of peace, and the duty was to be done by an Aid-Major, or Adjutant, who was to have four shillings per day, pay, and twenty shillings per month, maintenance, being the sum allowed for Aid-Majors in all the Company's other military stations:—the troop of horse and company of artillery, formed of the civil servants, were still to continue embodied.

The observations made in the instructions to Bombay were repeated, respecting the reference made to the King by Parliament, on the subject of the Company's rights, and the granting commissions to their Captains to seize Interlopers; describing them to be "mal-contents, quondam Committee-men, and "Adventurers, who have sold their stocks at high rates, and "want to buy in again at low." (1)

The

(1)—Letters from the Court to the Presidency of Fort St. George, 22d January and 29th February 1691-92.—— Copy of Sir John Goldesborough's Instructions, 29th February 1691-92.

CHAP. III. 1691-92.

The Court's instructions for BENGAL, in substance, were, that it was to remain an independent Agency, till Mr. Charnock's removal or death; in either event it was, again, to become subordinate to the Fort;—that it was proper in Mr. Charnock to make the presents he mentioned, to the Nabob;—that the Factories at Malda, Dacca, and Patna, were to be withdrawn, provided a sufficient quantity of saltpetre could be procured at Hughly, one thousand tons of which was to make part of the investment for the season;—that the remainder of the investment (five hundred tons) was to be filled up with the best Bengal goods that could be procured, and the Armenians were to be encouraged, as much as possible, to bring down finer goods from the Upper Provinces.

Bengal to be again subordinate to the Fort, after Mr. Charnock's death or removal.

As the Court were, as yet, ignorant of the station which Mr. Charnock might have been able to fix on, for a Factory, they directed, that the mint should be established in whatever place he might reside; and repeated the orders, referred to in the dispatches of this, and the preceding year, that no correspondence should be held by any of the Company's servants, with the Interlopers, or their agents.[1]

The instructions for BENCOOLEN refer rather to the arrangements which Sir John Goldesborough was to make, for extending the trade, and employing means for its security, than to any expedients beyond those already adopted, by the Agent and his Council:—meantime, the proposal of forming a Settlement at Sillebar

A military guard to be formed at Bencoolen.

(1)—Letters from the Court to the Agent and Council of Bengal, 22d January and 29th February 1691-92.

CHAP. III. 1691-92.

Sillebar was rejected, but an allowance given to employ six or eight Bugguesses, as a life guard to its Chief or King;—that twenty or thirty Madagascar blacks should be trained as soldiers, and, as a distinction, have a red coat and cap, but not the custody of their own fire-arms, and always to be commanded by an European officer:—the garrison was to be regulated by martial law, and an armed sloop was to be sent from Fort St. George, for the protection of the Company's trade. (1)

Measures of the Agent at Tonquin disapproved.

The orders to the subordinate Factory at TONQUIN, which, it appears, had still been continued, conveyed a disapprobation of the proceedings at that Agency, both because the goods sent were of inferior quality, and out of request; and because £30,000 stock had been left there, unemployed, or dead; the Agent, therefore, was, in general, ordered to purchase as much goods as possible, and to obey such instructions as he might receive from the person appointed by Sir John Goldesborough, to take off the remaining stock, and send it to Fort St. George, in aid of the Company's investments from that Presidency. (2)

An embargo ordered at Surat on Europe ship-

On comparing the circumstances in which BOMBAY and SURAT were placed, at the close of the last season, with the

(1)—Letter from the Court to the Agent and Council of Bencoolen, 29th February 1691-92.

(2)—Letter from the Court to the Agent at Tonquin, 29th February 1691-92.

CHAP. III. 1691-92. ping, and a guard placed on the English Factory.

the instructions of the Court regarding both, specified in the preceding narrative, we discover, that President Harris had been obliged to remain at Surat, to restore, if possible, the Company's trade, to a situation in which it could be made productive; but, that such was the subordination of the Factory to the Mogul Governor, that had he proceeded to Bombay, without permission, the Company's servants might have been seized, and the trade exposed to hazard. It is true, that this Presidency, at this time, had received the Mogul's "Husbul-hookum," or grant, for liberty of trade in his dominions; but they continued to be of opinion, that no place but Bombay ought to be the chief seat of the Company's commerce in India, because the trade at Surat was liable to continued oppressions by the brokers, who were protected by the Governor;—any protection which the "Husbul-hookum" afforded, was precarious, and the safety of the servants and trade uncertain, from the frequent piracies committed by ships, (whether Interlopers or actual pirates,) navigated by Europeans. A ship belonging to Surat had been attacked and plundered by a pirate of this description, reported to be English:—this conduct obliged the Governor to place a guard on the English Factory, for an embargo had been laid on all European shipping, without discrimination. From this distress the President had been partially relieved, in consequence of one of the crew of the pirate having been seized, and found to be a Dane, and from its appearing, in the sequel, that the commanders of several of the pirate

 ships,

CHAP. III. 1691-92. ships, to avoid disputes with the greater European Powers, had represented themselves as belonging to that nation.

President Harris and his Council, therefore, reported that unless effectual measures should be taken to seize on, and to prevent the appearance of vessels of this description in the Indian Seas, the European trade, particularly that of the English, would be constantly exposed to interruptions, if not to danger, for the Natives ascribed to them a knowledge, if not a connivance with those predatory rovers.

Bombay defenceless, from the reduced state of the garrison.

Bombay, at this time, as a place of security, either for the Company's shipping or trade, was exposed to attacks, because the supplies which the Governor had requested, had not been sent, the numbers of the inhabitants, from the plague, had diminished, and the garrison been reduced; he, therefore, repeated his request, that a large supply of recruits and stores might come on the next ships from Europe. Of the Company's civil servants on the Island, only three remained alive, and the English officers and soldiers were few, and could not hold out, for any time, against an invader.

Commercial distresses of this Presidency.

The President next explained, that although two of the Company's ships had arrived at Surat, from Bengal, the produce brought was inconsiderable, owing to the impression of danger from the French ships in those seas, from which these vessels had made a narrow escape:—the Court's order for the homeward-bound ships to sail round the North of Scotland, had been opposed by the captains, the President, therefore, instructed

instructed them, when they arrived at the Cape of Good Hope, to hold a consultation with the Dutch Governor and officers, the result of which, he trusted, would be, to induce them to obey the orders of the Court:—he then reported, that though favorable accounts had been received of the disposition of the new King of Siam, with respect to the English, he had not deemed it prudent to risk the Company's stock in that country, but had sent a vessel to examine the practicability of re-opening the trade.

The information closes with what often occurs among Agents, in remote Settlements, or disputes between the Governor, Deputy Governor, and Council, about precedency, and being attended with ensigns of dignity.(1)

The Agent at Gombroon, this season, does not appear to have conformed to the Court's orders, regarding the large quantity of English broad-cloths, which it was calculated might be disposed of, in Persia; he stated, however, that the Dutch Ambassador had not succeeded in obtaining a monopoly of Caramania wool, or silk, but had so far gained on the Shahbunder and brokers, as to obstruct the sales of English produce at Gombroon, which had obliged him to pack the goods brought by the Rebecca, in bales, and to forward them to Ispahan, to be sold in that city; and no payments

(1)—Letter from the President and Council at Surat to the Court, 19th June 1691.
—— Letters from the Deputy Governor and Council of Bombay to the Court, 27th October 1691, and 28th January 1691-92.

CHAP. III. 1691-92. payments had, as yet, been received of the two years' customs due to the Company.(1)

Military operations in the Carnatic, between the armies of Aurungzebe and the Hindoo Princes.

The events at FORT ST. GEORGE and in BENGAL, during this season, are rather of importance, from the political circumstances under which both of those stations were placed, than from the exertions which the President or Agent of either had made. Those dissentions between President Yale and his Council continued, which had induced the Court to appoint Sir John Goldesborough to be Commissary General:—this animosity was so marked, that the General Letters to the Court, during this season, were signed by the President only, and not by the Council; these dissentions were peculiarly unfortunate, from the continuance of the war between the Mogul and the Hindoo Chief, or Ram Rajah, which exposed the provinces to depredations, incompatible with trade:—it is, however, interesting to collect, from the narratives of the Presidency of Madras, the events which occurred during the latter years of Aurunzebe's reign; and they have this degree of authenticity, that they are the reports of individuals interested in them, from a sense of their own safety.

It appears, that the strong station of Gingee, into which the Hindoo King, or Ram-Rajah, had thrown himself, still enabled him to hold out against the Mogul army, commanded by Zulfaker Khan, and that, during the long siege which that officer had conducted, he had made little or no impression on the place:—this the President accounts for, by the

(1)—Letter from Agent Gladman to the Court, 18th July 1691.

CHAP. III. 1691-92.

the supplies for the Mogul Army, both of men and money, being intercepted in passing through countries occupied by the Hindoos, and from a large body of the Mogul troops, under Sultan Azem-Darah, having separated from the main army. This account coincides with the details of the historians of the times, of the civil wars which were beginning, between the Emperor and his sons, who were each taking measures to ensure his succession.

Continuing the account, that Gingee still held out, the Presidency stated, that the Mogul had sent a large army, under his youngest son, Khan Buksh, and the Vizier Assed-Khan, to reduce Gingee, and to extirpate the Hindoos in the Carnatic; concluding, that, from the uncertainty which the Presidency felt respecting the result, though they had hitherto, during the three years which the siege had continued, only expended £500, in presents to the Chiefs, and had been able to keep on friendly terms with both parties, yet, as the Mogul commander had sent notice of his being within seven days' march of the Fort, farther presents, to the amount of ten thousand pagodas, would be required, to prevent the place being exposed to a higher demand; and added, that though they were in a state of peace at Madras, they were not in security, and therefore requested a reinforcement, of from two to three hundred soldiers.

Fort St. David, or Tegnapatam, fortified.

It is remarkable, during this state of warfare in the country, that the Presidency had purchased Tegnapatam, and the title had been secured by a grant, under the seal of the Hindoo

King,

CHAP. III. 1691-92. King, and by a Cowl from the Subah of the Carnatic, and that this town had been walled, and bulwarks made to it:—in the correspondence it is, for the first time, denominated FORT ST. DAVID. This acquisition appears to have been viewed with much jealousy by the Dutch, who refused to pay the same customs of two and a half per cent. to the Company, at the port, which they had formerly paid to the Duan, notwithstanding the English Agent claimed on the principle, that the place had been sold by the Hindoo King, in full right to the Company, and confirmed by the Subah's Cowl:—the Dutch, however, refused the payment, and the Agent at Fort St. David's laid an embargo on the Dutch goods, till they should acquiesce in this rate of custom.

The Presidency described, at the same time, the low state of the Dutch trade, that they had fixed their chief station, or residence, on the Coromandel Coast, at Negapatam, and that the French had remained quiet, during this year, at Pollicherry.

Trade in Bengal re-established, and the Agency fixed at Chutanuttee.

The measures adopted for reviving and establishing the trade in BENGAL, are detailed in the Madras correspondence; in which it is intimated, that fifty thousand pagodas were intended to be sent to Mr. Charnock, who had dispatched a ship for England, without previously intimating the circumstance to the Presidency;—that the residence of the Agent was at CHUTANUTTEE, and though protected by about a hundred soldiers, he had not been allowed to build a fortified Factory, and storehouses. This defenceless situation, the President ascribed to the

the Governor of Surat having retained the Phirmaund for Bengal, till restitution should be made to him of the goods taken from the merchants in the late war; and added his opinion, that without such Phirmaund, it would be impracticable to settle the trade in Bengal, with any prospect of safety or success.

The President, on the subject of trade on the Coromandel Coast, reported, that, from the wars in the country, the price of provisions and labour had risen so high, that there was great difficulty in procuring calicoes and piece-goods;—that exertions would be made to obtain an investment of those articles, both at Fort St. David and at Vizagapatam, and that they had sent to Bengal, with Mr. Charnock, a stock of 210,000 pagodas, besides powers to recover about 400,000 rupees, in debts and remains, left in that country; of whom, however, they complain, for having acted without the President's orders, and for not having afforded them any accounts of his proceedings.

Affairs at Bencoolen and Tonquin in this season.

The only information respecting BENCOOLEN, during this season, appears on the Madras advices, at which station, as if by contagion, similar dissentions among the Company's servants had arisen:—the Agent, Mr. Sowden, had been recalled, and Mr. Fleetwood sent from the Fort, to take charge of the Settlement.

The Madras letters complain of want of information from TONQUIN, and request the Court to send out a person, properly qualified, to take charge of that Factory.(1)

(1)—Letters from President Yale to the Court, 25th May and 20th November 1691.

1692-93.

CHAP. III.

1692-93.

The deficiency of intelligence from India affects the Court's instructions to their foreign Settlements.

THE Court's instructions to the foreign Settlements of the Company, in this season, are extremely limited, no orders having been sent to FORT ST. GEORGE, BENGAL, or BENCOOLEN, probably from their having entrusted the whole of the measures to be adopted, at the two first of these stations, to the discretion of Sir John Goldesborough, from whom, at this time, they had not received any communications, respecting the actual state of either of those Settlements; and from their having confided entirely in Mr. Charnock, in Bengal. It is remarkable, however, that the equipments of the season were larger, and the stock greater, than either had been in the preceding year.

Equipments, stock, and commercial instructions of the season.

The equipments consisted of eleven ships:—of the first fleet of six sail, three (the Charles the Second, the Sampson, and the Berkeley Castle) were consigned to Madras and Bengal; two, (the Modena and Elizabeth) to BOMBAY and SURAT, with a stock of £100,000; and, subsequently, another ship (the Resolution) to Bombay, with a farther stock of £50,000 in bullion. As the season advanced, four more large ships (the Defence, Princess of Denmark, Royal James, and Mary) were dispatched to India, and a small vessel to ST. HELENA and BENCOOLEN..

On

On the Modena, besides other articles, a thousand pieces of broad-cloth were sent, with an order to forward them, with the utmost expedition, to Persia, unless they could be disposed of, at very high rates, for ready money, at Surat or Bombay. The only general instruction of this season was, that the President should remain at Surat, till the investment for the season could be completed; and, subsequently, that he was not to remove to Bombay, till farther orders. To promote the Company's trade on the Malabar Coast, the Armenians were to have the use of the Company's warehouses at Carwar, to lodge their goods, on paying at the rate of four per cent. per monsoon, for this accommodation. (1)

Some young men sent to Ispahan, to acquire the Persian and Armenian languages.

The instructions to the Agent in PERSIA, corresponded with those detailed for Bombay:—he was directed to send the thousand pieces of cloth from Gombroon to Ispahan, by the first conveyance, and himself to proceed to that city, to concert with the chief of the Armenians, respecting the measures to be adopted for promoting the Company's interests; and to get some young men, who had embarked from England, accommodated at Ispahan, to acquire a knowledge of the Persian and Armenian languages, to qualify them to conduct the Company's commercial concerns in that kingdom. (2)

(1)—Letter from the Court to the President and Council of Bombay and Surat, 1st April 1692.

(2)—Letter from the Court to the Agent at Gombroon, 1st April 1692.

CHAP. III.
1692-93.

Several interesting circumstances occurred at SURAT and BOMBAY, in the season 1692-93, respecting the conduct of the Mogul towards the Company, and the proceedings of the French, in that part of India.

The obstruction of the passage of the pilgrims, from Surat to Mecca, the source of the peace granted by the Mogul to the English.

The annual voyage of the pilgrims, from Surat to Judda, and thence to Mecca, formed an important part of the Mahomedan religion, and, as will appear in the sequel, it was the duty of the Siddee, as Admiral of the Mogul fleet, to convey them to Judda, and return with them to Surat. During the war with the Company, compliance with this part of their religion had become difficult, and frequently impracticable, and had the Presidency of Bombay, during the war, been aware of this circumstance, and captured some of the principal pilgrims, the release of Mr. Harris might have been effected, and peace obtained on more favourable terms; for he now gave it as his opinion, that the real cause of the Mogul having granted peace to the English, was to allow a free passage, to and from Judda, to the pilgrims. A rupture, also, had taken place, at this time, between the Mogul and the Portuguese, for the Siddee had landed with a body of troops, to attack the fort of Bassein.

The French fleet capture one of the Company's ships.

The force of the French, on the West of India, was discovered, from the incident of their fleet having captured, on the 11th October 1692, the Elizabeth, one of the Company's ships, within

CHAP. III. 1692-93.

within fifty leagues of Bombay; and though the capture is described as having been made, after a sharp engagement, resistance appears to have been fruitless, for the French fleet consisted of one ship of sixty-six, one of sixty, one of forty, and one of twenty guns, sent from Europe, rather to make captures, than to prosecute trade. This opinion was corroborated, by the chief mate of the Elizabeth, who was released on the arrival of the French fleet at Surat, to whom the officers had communicated their real intention, in coming to that port, to be, to withdraw their Factory, unless they should take a prize that would furnish them with a stock to open trade.

Agreeably to the character of that people, the French Factory at Surat had taken advantage of the disputes, between the President and Mr. Vaux, the Deputy Governor of Bombay, both to injure the trade, and to excite jealousies of the English, but the order of the Court to suspend Mr. Vaux in his Government having arrived, the other Members of Council were reconciled to the President, and signed the General Letter; suspicion, however, was attached to Mr. Vaux, from the circumstance of his having purchased the Company's ship, Elizabeth, from the French, on his own account.

Trade depressed by the Interlopers, English Pirates, and Permission Ships.

The advices from Surat contain a series of complaints against the Interlopers, or that their ship, the Success, had been at Swally, though, from the weak condition of the Presidency, and the capture of the Elizabeth, it was impracticable, either to seize on this vessel, or to prevent her commander from trading; but that they had written to the Dutch Governor of the

CHAP. III. 1692-93. the Cape of Good Hope to detain her, on her return to England;—that the captain of the Company's ship Benjamin, though disposed to obey the orders to seize this Interloper, had it not in his power to make an attack, his crew having refused to fight.

The Presidency, also, stated, that if means were not adopted, to check the piracies committed by ships bearing the English flag, in the Red Sea, the whole of their concerns at Surat would be impeded, if not endangered, because the Natives identified these English pirates, with the ships of the Company.

Besides obstruction to their trade, from these known descriptions of Interlopers and pirates, a new order of rivals to the Company had arisen, in what the Presidency termed "*Permission Ships*," or vessels who had obtained licences from the Company to make a voyage to the East-Indies, under certain conditions, the masters of which, instead of adhering to such conditions, had acted in the same manner as Interlopers, of a less defined character; the Presidency, therefore, requested, that such "*Permission Ships*" might not, in future, receive authority to trade in the Indian Seas.

The revival of Courts of Admiralty and Judicature at Bombay prevented, by the defenceless state of the garrison.

The Presidency, in general, represented the circumstances of BOMBAY, as follows:—that they had not been able to carry the Court's orders into effect, on account of its defenceless situation, and the low state of the garrison, and that these circumstances made it impracticable to revive either the Courts of Admiralty, or Judicature:—that the forfeited lands had been restored to such

such of the owners as had proved faithful to the Company, and the like favor would have been extended, even to the Jesuits, if they would have given an obligation to bring their case before the Court of Judicature, when it should be re-established. These circumstances had rendered the Presidency at Surat, as well as the Governor of Bombay, anxious that the Company's authority should be established by Act of Parliament:—in the hope of this event, every exertion should be made, to put Bombay in the most respectable state of defence, and to strengthen the Settlements at Retorah and Tellicherry, to enable each to protect the districts in their vicinity.

Duplicity of the Armenians, in their transactions with the Presidency of Surat.

On the subject of trade, the Presidency reported, that the ships would be dispatched for Europe, as soon as the French fleet left Swally river; but complained of the Armenians, for having refused payment of the credit which the Company had on them, for £50,000, under the pretext, that they had not received any advice, authorizing them to make such payment; and, when this pretext was compared with their actions, the duplicity of their character had become evident, for they refused to bring down their goods, to go in the Company's ships for Europe (five bales, only, being loaded on their account) and yet offered Bengal goods for sale, to the Company, at exorbitant prices:—hence it was evident, that they would not aid the Company in making the investment, on account of the risks they supposed they might run, from the existing war in Europe. This conduct the Presidency represented to be an improper return for the protection they had received, and a dereliction

CHAP. III. 1692-93.

liction of their friends "in the hour of need," and if the President and Council had not granted bills, on their personal credit, to the Armenians for fifty thousand rupees, the investment must have failed for this season :—This representation of the conduct of the Armenians carries with it some degree of doubt, from the President and Council having requested the Court to grant to them, the same liberty of trade, as they had given to the Armenians. (1)

The Court do not appear in this season, to have received any information from PERSIA, on the state of their affairs in that kingdom, either directly from Gombroon, or indirectly from Surat.

Arrival of Sir John Goldesborough at Madras.

The intelligence from FORT ST. GEORGE, this season, is also limited, being confined to an account of the arrival of Sir John Goldesborough, who sailed from England in March 1692, arrived in Ballasore Roads on the 31st October, and at Madras on the 23d November ;—it, therefore, can only be collected from Sir John Goldesborough's report to the President of Surat, dated the 13th December 1692, that he had established President Higgenson in the Government, in the room of President Yale; desired that the two Phirmaunds, relative to Fort St. George, which had been sent to Sir John Child, should be returned, and that every possible effort should be made to strengthen the Fort of Retorah, and to seize the Interlopers at Surat. (2)

Affairs

(1)—Letters from the Presidency of Surat to the Court, 11th January and 11th February 1692-93.

(2)—Copy of Sir John Goldesborough's Journal, March to November 1692.—— Letter from the Presidency of Fort St. George, to the Presidency of Surat, 13th December 1692.

CHAP. III. 1692-93.

Advantages taken of the dissentions at Bencoolen by the Dutch.

Affairs at BENCOOLEN, this season, previously to the Agent's receiving notice of the arrival of Sir John Goldesborough, remained in confusion, from the dissentions between the Agent, Mr. Sowden (who had been displaced, and succeeded by Mr. Fleetwood) and his Council;—the Settlement had been involved in a war with the Natives, which had exhausted the stock, and enabled the Dutch to engross the pepper trade:—the station at Indrapore had not been withdrawn, from the impracticability of bringing off the guns, and from the effect it might have, in encreasing the influence of the Dutch:—it was, however, admitted, that Bencoolen had become more healthy than formerly; and that a supply had been received of nearly two hundred Caffres, part of whom had been disciplined as soldiers, but the greatest number employed in building godowns, or warehouses, and on the fortifications, which were represented as having been unskilfully planned, from being commanded by a high hill in the immediate vicinity.

Sir John Goldesborough's plan for the improvement of the settlement at Bencoolen.

Sir John Goldesborough, to remedy these evils, had sent Mr. Wilson to be Second in Council, with a considerable supply of stores and ammunition, one ensign, one serjeant, and twelve European soldiers, to reinforce the garrison, ordered the fortifications to be encreased and strengthened, new storehouses to be built, to contain from five hundred to a thousand tons of pepper, barracks erected for the soldiers, and houses for the negroes, but in situations which would render revolt difficult. To cover these charges, the Agent was directed to improve the

 revenue

CHAP. III.
1692-93.

revenue, as far as circumstances would allow, and to offer encouragement and accommodation to such Chinese, as might be disposed to settle at the place, under the Company's protection.(1)

Mutiny at St. Helena, in which Governor Johnston was killed.

The Interlopers, among other insidious projects, had asserted, that the Company governed their Settlements by martial law, only:—this law they represented to be contrary to the rights of Englishmen, and an arbitrary rule, which ought not to prevail in the most distant of the British dependencies. The Court, although it could have obviated this aspersion, by reference to their having established Admiralty, and other Courts of Justice, at the principal Settlements, were obliged so far to yield to popular prejudices, as to suspend the operation of martial law at St. Helena, a station at which the East-India shipping could only touch for refreshment. The effect of this suspension was, what always occurs, when popular clamour about liberty, obliges any administration to substitute rules not applicable to the case:—A small ship, of a hundred and five tons (the Francis and Mary) fitted out in England for the Coast of Guinea trade, put into St. Helena in distress, on the 3d of April 1693:—the distress was occasioned by a mortality among the crew, and the vessel could not proceed, without obtaining from the Governor, six additional hands to navigate her:—these men, by the interruption of martial law, were ready for mutiny, and having corrupted some of the soldiers,

(1)—Letter from the Agent and Council at Bencoolen to the Court, 1st February 1692-93.—— Letter from Sir John Goldesborough, and the Council at Fort St. George, to the Agent and Council at Bencoolen, 1st March 1692-93.

soldiers, after disarming and imprisoning those who refused, plundered the Company's stores:—in the resistance made, the Governor (Captain Johnston) and the captain of the vessel, were killed; the mutineers made their escape, and took with them twenty-seven persons, including women and children;—leaving, thus, evidence of the danger of introducing undefined notions of freedom in a garrison, instead of governing it by strict military discipline, which alone is suited to a remote station.(1)

CHAP. III. 1692-93.

On receiving information of this event, we shall subsequently find, that the Court appointed Captain Keeling to be Governor of the Island, and sent reinforcements of troops and stores, to reduce the place to obedience.(2)

Captain Keeling appointed Governor of the Island.

S 2

(1)—Narrative of the Rebellion at St. Helena, April 1693.

(2)—Letter from the Court to the Governor and Council of St. Helena, 3d January 1693-94.

1693-94.

CHAP. III.

1693-94.

New Charter to the East-India Company, 7th October 1693. (5 William and Mary.)

The events which appear in the proceedings of the Court of Directors, during the season 1693-94, called for new efforts from the Adventurers, or Proprietors, and discover, that, at home, circumstances were recurring, the effects of which on the Company's rights and trade could only be provided against by temporary expedients, though, in the sequel, we shall find, that those expedients were neither calculated to remedy, nor to remove the evils:—in like manner, the Court could only devise measures for their foreign Settlements, which events, in India, rendered it impracticable to execute.

It has appeared, that Indian affairs had been a subject of discussion in Parliament, and that the result had been, a reference to the Sovereign, for adjustment; it has, also, appeared, that difficulties had arisen from the Private Traders or Interlopers at home, who were working on the credulity of the public, by specious projects of encreasing the exports of British staples and merchandize, and of larger and more profitable imports of Eastern produce, which would augment the commerce of the kingdom, and extend the navigation, or shipping interest. These speculations were popular, at a period when the war had for its object, to balance the power of France, and to

CHAP. III. 1693-94.

to lessen the resources by which that ambitious monarchy was proposing to depress the Maritime Powers of Europe.

The result of the reference to the King was, that instead of the Company obtaining a confirmation of their Charter, by an Act of Parliament, they received a new Charter from the Crown, dated the 7th October 1693 (5th William and Mary) confirming all their former privileges, nearly in the same terms as originally granted by the Charter of Queen Elizabeth

Substance of this Charter.

In this new Charter, the legal objection to the Company's former privileges (or that they had forfeited them, by the non-payment of a duty of five per cent. on Joint Stocks, levied by an Act, 4th and 5th William and Mary, cap. 15, sect. 10 and 12) was removed by the King, who re-granted to the Company all the privileges specified in former Charters, and ratified all the acts done by the Company, since the 24th March 1693, containing only the restriction, that this new grant would be revoked, if the Company did not comply with the alterations which the King might think proper to make, before the 29th September 1694, and subjecting them to the payment of £9,300, as their proportion of the duty imposed by the preceding Act.(1)

Company enter into an obligation to export £150,000 of British manufactures.

Besides these public conditions, the Company came under an obligation to the King, to export, on the ships of the season, English manufactures, to the value of £150,000; and, in compliance, we find, that they shipped £50,000 in cloth for the

(1)—Letters Patent granted to the East-India Company, dated 7th October 1693 (5th William and Mary.) (Printed Collection of Charters, page 141.)

CHAP. III. 1693-94. the Persian market, only; explaining, that they were induced to make this effort, by the conduct of the Turkey Merchants, who had represented themselves to be the only exporters of English produce, and that the East-India Company had, on every occasion, endeavoured to lessen the importance of the Turkey trade to the realm. To repel this attack of the Turkey Company, the Court determined to push the cloth trade, in Persia, to the greatest possible extent, and expected, that the returns would be made in Persian silks, by which they hoped to undersell the Turkey Merchants in this article, and thus demonstrate to the public, the value of the Company's trade, both in its exports and imports.

Additional Charter, of 11th November 1693, for augmenting the Company's stock, for defining their term, and specifying the qualifications of Proprietors to vote at General Courts.

This Charter had existed but a few weeks, when, on the same basis of Letters Patent, it was again confirmed, on the 11th November 1693 (5 William and Mary). The object of this renewal appears to have been, to empower the Company to add £744,000 to their stock, and to limit the duration of their exclusive privileges, to *twenty-one years* from that date. This grant, besides, specified regulations for the management of this additional stock; requiring, that the subscribers should take an oath, that the stock was for their own use;—£1,000 stock to entitle to one vote, as far as £10,000; but no person to have more than ten votes;—a Governor, Deputy, and twenty-four Committee-men, to be elected in April, in each year; —the Governor and Deputy to have £4,000 stock, and each Committee-man £1,000 stock;—the Company to hold General Courts, and make Bye-laws; and not to licence any private

private ship to go to the East-Indies, under penalty of forfeiting their Charter;—they were to export £100,000 of British produce, annually; and the dividends were to be paid in money, only.(1)

CHAP. III. 1693-94.

The circumstance of paying the dividends in money, is chiefly memorable, from its being in contrast with the practice of the Dutch East-India Companies, each of the Chambers of which paid their dividends, partly in money, and partly in produce. The Court agreed to continue their books open for this new Subscription to the 10th January 1693-94, when, from the large sums subscribed, as early as the 3d of that month, or £719,000, it became evident, that not only the whole sum of £744,000 would be subscribed, but an amount which would much exceed it, and oblige the Court to reduce the proportion of each subscriber, that the whole sum might not exceed £744,000;—and this effort, the Court trusted, would induce Parliament to confirm their Charter. These public acts, and the measures which the Court adopted, to obtain rights, or to repel the pretensions by which their opponents, the Interlopers, were endeavouring to prejudice the public opinion against them, explain the real state of Indian affairs, at home, at this crisis.

The new subscription of £744,000 completed.

In the beginning of this season, the Private Traders, or Interlopers, fitted out vessels, particularly the Interloper Hudson, who had escaped with his ship to India:—alarmed at this public invasion of their rights, the Court determined to obstruct him

Court's memorial, explaining the plans of the Interlopers.

(1)—Letters Patent granted to the East-India Company, dated 11th November 1693 (5th William and Mary.) (Printed Collection of Charters, page 152.)

CHAP. III. 1693-94. him in his trade, by directing their servants to bribe the Native Governors to refuse him access to the markets; and, as early as the month of May, a subscription of £400,000 (which afterwards became part of the £744,000) was employed, to bear down, in the home and foreign markets, two other Interloping ships, which had taken advantage of the interval, between the Old and the New Charters, to slip out to India:—this effort was made, at the period when the Court were waiting for the King's approbation of the New Charter, and its passing the Great Seal.

In this state of anxiety, they directed the Presidencies in India to solemnize this confirmation of their power in the most public manner, not only that the event might make an impression on the Natives, but, fix the character of the Interlopers in India to be that of unauthorized traders, and a class of people almost ranked with pirates. At this time, also, the Court resolved to put an end to the *Permission Trade*, (as it was termed), as soon as the New Charter should go through all the forms; and, in fact, this was the first effect of it, for the Court refused to comply with the request of the Presidency of Surat, to grant to them, or their other servants, the same liberty of trade as the Armenians enjoyed;—hence, by the second new Charter, and by the regulations under it, the Permission Trade was prohibited; and all ships, going from Bombay and Surat to Bengal, were to be consigned to the Agent there, who was to be allowed two per cent. commission for his trouble, and to be responsible for the obstruction of the Private Traders.

In

CHAP. III.
1693-94.

In the progress of the season, the Court had recourse to a new expedient for destroying the Private, or Interloping Trade; —it had been found, that, after all the efforts to prosecute them in courts of law, after granting commissions for seizing them, and bringing them to condemnation, &c., they still rose up, under new pretences, and under new forms, and agitated the public mind, by specious projects for increasing the general trade of the country, while, at the same time, they were, in fact, the authors of all the interruptions, as well as calamities, which the Company had so recently experienced from the Country Powers; it was, therefore, resolved, to purchase the stock and shipping of the principal Interlopers, to accept, as ready money, on the Company's account, the value of the two ships (the Edward and the Henry) which had sailed to India, and to admit them on the Company's books; conceiving, that, by this expedient, they would be able to absorb the Private-Trade, (which was really such,) and to make a distinction between it and the Interlopers, who acted partly as such, and partly as pirates, and had given occasion, by their evasion of payments to the Natives, and by their depredations, to those seizures of the Company's stock and goods at their Factories, by the Native Governors and by the Mogul's orders, from which the Company had suffered such repeated losses, and (as we shall find in the foreign transactions of this season) interruptions in the agreements which they had made with the Native Merchants, for providing the investments. This project the Court explained, by repeating the opinion which appeared in the instructions of the

 preceding

CHAP. III. 1693-94.

preceding years, that such Interlopers and pirates had not only been the source of all the Company's sufferings in India, but the cause of that discredit, which had been, so often, brought on the English name, in the East-Indies. These events discover the reason, why the Court returned to the system which they had adopted, when they placed their whole interests in India under the administration of Sir John Child.

Sir John Goldesborough appointed General in India, and Sir John Gayer Lieutenant General and Governor of Bombay.

In the preceding season, the Court had appointed Sir John Goldesborough to exercise unlimited powers and control over all their Settlements, in what they termed the South of India, by the title of Commissary and Supervisor, but, in this season, he was appointed General in India, and to have his chief residence at Fort St. George, with the same powers as exercised by Sir John Child; and appointed, also, Sir John Gayer to be Lieutenant General under him, and Governor of BOMBAY, and Chief of the Company's Factories in the North of India, to reside at Bombay, and to succeed Sir John Goldesborough, in case of death, as General at Fort St. George, with power, without advice of the Council, to dismiss any of the Company's servants who might disobey his orders, or act improperly; with the exception of President Harris, and Mr. Annesley and Mr. Weldon, Second and Third of Council at Surat, who were to continue to administer the Company's interests at that port.

Sir John Gayer's instructions.

The substance of Sir John Gayer's instructions was, to turn all the Company's effects into money, to add to the fund for investments, to bring the remains from the subordinate Factories on the Malabar Coast, to Surat or Bombay, and always

always to have in readiness, a large quantity of pepper and cotton wool, to meet the arrival of the shipping. CHAP. III. 1693-94.

Equipments, stock, and commercial orders, for the season.

It was under these circumstances, and subsequent to the grant of the New Charters, that the equipments of the season were encreased to thirteen ships, of from one hundred and twenty, to seven hundred tons, which were appointed to sail in two fleets, one in January, and the other in March 1693-94. Two ships were to proceed to Cadiz, to obtain bullion, to be coined in the Company's mints in India, and one vessel, of two hundred tons, to go direct to Amoy, in China, to attempt a distinct trade with that country.

The instructions, respecting the homeward voyage, given in the last season, were receded from, on account of the sickness of the crews, at the rendezvous at Barbadoes:—to prevent the enemy from obtaining intelligence of their route, the sailing orders were issued by a Secret Committee, which directed that, in case they missed the Dutch fleet at the Cape, of Good Hope, they were to proceed to Galway, in Ireland, and there to wait for orders, as to the mode of returning to England.

For providing an investment, the Presidency of SURAT were authorized to draw on the Court (as the Armenians had refused to answer the credit on them) for £50,000, above the stock sent, and none of the Company's stores were to be sold, unless they produced double the invoice price. In the list of articles for the investment, it was specified, that £100,000 should be expended in procuring indigo and chintzes.

T 2 The

CHAP. III.
1693-94.
Military instructions for Bombay.

The separate orders to BOMBAY were, that the Governor, should, on no account, comply with any part of the demand of the Portuguese, for customs at Tannah and Caranjah:—he was to keep up the garrison to two companies of effective European infantry, for which one hundred and twenty recruits were to be embarked on the ships of the season; and he was to be careful, that the auxiliary native soldiers were to consist of as many of the same cast, as he could engage. (1)

Civil establishment in Persia augmented.

The trade to PERSIA, during this season (as mentioned in the instructions to Surat and Bombay,) had become, from the conditions under which the new grants were obtained, an important subject of consideration to the Court, because the sales of cloth, to the amount required, would be impracticable in India, unless a vent could be opened for them, in Persia. In the Court's instructions to the Agent in Persia, to promote this sale, he was enjoined to collect as much Persian silk and Caramania wool, as could be procured by partial barter; and, to enable him to prosecute this plan more effectually, the establishment in Persia was augmented, and was, in future, to consist of a Chief, four Factors, and four Writers; and the Factories at Gombroon and Ispahan to be permanent;—the Chief was to reside at either place, as it might appear to him most advantageous for the promotion of this enlarged trade;—and, that the Company's servants might be qualified to take

(1)—Letters from the Court to the Presidency of Surat, and the Lieutenant General and Governor of Bombay, 1st and 24th May, 27th October 1693, and 3d January 1693-94.—— Copy of Sir John Gayer's Instructions, 26th May 1693.

take charge of the subordinate duties, the Writers of this season were to reside in the houses of Armenians, to study their language, and acquire their method of conducting business. CHAP. III. 1693-94.

Under these general orders, as the King of Persia had offered the whole of the silk in Persia to the Armenians, for payments to be made within three years, the Agent was empowered to take one-third of the silk from the Armenians, on the Company's account, provided they would agree, that the remainder should be put on board the Company's ships for the Europe market, assigning as their reason for this expedient, that the French war had interrupted the Turkey merchants in their imports of silk, and that this article had risen, both in request and price.

English cloth consigned to the Armenian merchants, to be bartered for Persian silk.

It was farther directed, that the English cloth should be consigned to the principal Armenian merchants, at Julpha, provided it could be bartered for silk, or ready money, or even for one-third in money, and two-thirds in silk:—the orders for Caramania wool were general, or to obtain as large a quantity as might be practicable, or, as much money and wool as the state of the trade would bear, to be forwarded to Surat, but with a prohibition to send any money to Bengal. (1)

The Court's instructions, this season, to FORT ST. GEORGE, and their commercial orders and regulations, both to this Presidency and to BENGAL, are so much blended with each other, that

Mixed instructions to Madras and Bengal.

(1)—Letters from the Court to the Agent and Council in Persia, 24th May, 27th October 1693, and 3d January 1693-94.

CHAP. III. 1693-94. that the regulations must come in detail for each, though the commercial orders were distinct.

House of Commons pass a vote, declaring the right of all Englishmen to trade to the East-Indies, unless prohibited by Act of Parliament.

The information regarding the New Charters, as given to Bombay and Surat, and the progress of the subscriptions, are repeated; but, towards the close of the season, a gloom seems rather to have overcast the prospect of advantages from these Charters, for a vote of the House of Commons struck equally at their principles, and at their conditions:—by this vote it was declared, that "it is the right of all Englishmen to trade to the "East-Indies, or any part of the world, unless prohibited by "Act of Parliament."

Company's establishments on the Coast to be confined to Fort St. George, Fort St. David, and Vizagapatam.

Without attempting to examine the political circumstances which produced this vote, it is sufficient to notice its effect on the Court, which expressed its apprehensions to the Presidency of Fort St. George, that the Interlopers would take advantage of it, and send out new equipments, against which they were ordered to provide by every possible effort. After repeating the information to the Presidency of Fort St. George, that Sir John Goldesborough had been appointed General in India, and Sir John Gayer, Lieutenant General in the North of India, with succession, the separate instructions consisted in a repetition of the orders not to resettle Masulipatam, Madapollam, or Conimere, but to confine the Company's stations on the Coromandel Coast, to Fort St. George, Fort St. David, and Vizagapatam (leaving Mr. Charnock with the sole authority at Bengal);—to invite the merchants at the Factories which were to be withdrawn, to settle at the Fort, and at Fort

CHAP. III. 1693-94.

Fort St. David;—to establish the mint, and to send such money as they could coin (particularly silver fanams) to Bengal, which would pass current, both in that country, and at Bencoolen;—to adopt the same measures, respecting the Interlopers, which were prescribed to the Government of Surat and Bombay;—to have always two or three hundred tons of pepper in store at the Fort, and the like quantity at Fort St. David, to meet the shipping;—to sell all the Company's coasting ships, and to hire small vessels of the Armenians for that trade, for which, on no account, the Company's shipping were either to be detained, or employed;—to send home the remains of all goods at Tonquin, Malacca, and Batavia, and to strengthen the fortifications, both at the Fort, and at Fort St. David, the garrison having been supplied with seventy soldiers, by the ships of this season.(1)

Separate instructions regarding the revenue of Fort St. David.

The separate orders to FORT. ST. DAVID were, in the first letter specifically addressed, by the Court, to the Governor of that place (Mr. Hatsell), by no means to agree to the abatement of customs which had been claimed, because the revenue and trade at Madras had increased, since the customs at that Presidency had been fixed at five per cent.(2)

Bengal (after Mr. Charnock's death) again rendered subordi-

The instructions of the Court to BENGAL were, that, during Mr. Charnock's life, he was to be vested with the sole authority; but towards the close of this season, on receiving intelligence

(1)—Letters from the Court to the Presidency of Fort St. George, 10th April 1693, and 2d February 1693-94.

(2)—Letter from the Court to the Governor and Council of Fort St. David, 3d January 1693-94.

CHAP. III. 1693-94. nate to Fort St. George, and Mr. Ellis appointed Agent.

intelligence of his death, and that Mr. Ellis was appointed to succeed him, the Agency of Bengal was again rendered subordinate to Fort St. George;—that greater responsibility might be attached to Mr. Ellis's situation, he was to have the sole nomination of the Council, and Chiefs of Factories, and, at his discretion, to reduce the Factories at Dacca and Malda, and to settle a Factory at Seerpore. As the seat of the Company's trade was fixed at CHUTANUTTEE, the revenue from it had become a subject of attention, but the plan at Madras was only to be adopted by degrees, for fear of offending the Nabob, the station being still an open one:—the Interlopers were to be obstructed, by every means which attention could devise, or money procure, particularly by purchasing all the goods they might need, for ready money, so as to disappoint them in their assortment, that they might return to England without cargoes:—force, however, was not to be employed against them, unless they attacked the Natives:—a thousand tons of saltpetre was always to be kept in store, and a large quantity of Bengal silk provided:—and for the better regulation of the Agency, a Court of Judicature was to be established, to take cognizance (as far as might be practicable) of all disputes, in the progress of the Company's business.(1)

A reinforcement sent to Bencoolen.

It does not appear, in this season, that the Court had received any information from BENCOOLEN, upon which specific instructions could be grounded, for they only express their dissatisfaction

(1)—Letters from the Court to the Agent and Council in Bengal, 10th and 28th April, and 27th October 1693, and 3d January 1693-94.

dissatisfaction at the small cargoes of pepper which had been collected, and stated that thirty soldiers had been sent, as a reinforcement to the garrison.(1)

CHAP. III. 1693-94.

Though the trade to CHINA had been interrupted and irregular, and the Factors, from time to time, withdrawn, we find, that, in the enumeration of the equipments of this season, one vessel (the Dorothy) was consigned to Amoy in China; and from the instructions given to Mr. Langley, the supra-cargo, it appears, that this was a voyage of experiment, only, for he was to proceed first to Batavia, to dispose of what cloth he could, and to purchase provisions for Bencoolen:—at this port, he was to receive pepper, and proceed to Chutanuttee, where he was to sell part of his cargo for money, and take in goods suited to the China market:—he was then to touch at Malacca, where he was to sell part of the goods for dollars, spices, and rattans, and thence sail to Amoy. These orders concluded with a list of the China articles, which, at this period, were suited to the English market, or Nankeen silks, damasks, sattins, velvets, (plain, flowered, and embroidered) gold-thread, raw-silks, China and lacquered ware, a good quantity of fine tea, and some fans and screens.(2)

A vessel sent to Amoy, to make another experiment of trade in China.

(1)—Letter from the Court to the Agent and Council at Bencoolen, 3d January 1693-94.

(2)—Instructions from the Court to Mr. Langley, Supra-cargo of the Dorothy, on her voyage to China, 24th January 1693-94.

CHAP. III.
1693-94.

The trade of European merchants of Surat prohibited, in consequence of Surat ships being captured by English pirates.

The events at SURAT and BOMBAY, communicated to the Court in this season, were unimportant, farther than as they mark the precarious situation of the Company's trade and interests at Surat, in consequence of the suspicion entertained by the Governor, and by the Mogul, that the English were parties in the piracies, committed on Surat vessels, in the Red Sea.

The Mogul, at the same time, was disposed to re-admit the English to their privileges of trade at Surat, and in the western ports of his dominions (as mentioned in the Annals of the preceding year), and to make restitution of seventy-three thousand rupees, as the value of the goods plundered from their Factory, during the late war; but as the pirates, who were reported to be English, had captured another Surat vessel from Mocha, a general order was issued, to suspend the privileges of trade enjoyed by the European nations (English, Dutch, French, and Portuguese), which, for a considerable time, not only stopped the investment, particularly of indigo and cotton, but prevented the payment of the compensation by the Mogul's officers:—after much negotiation, however, through the Governor, who was satisfied that the East-India Company had no connexion with the pirates, the investment was allowed to proceed, and promises given, though not fulfilled at the close of the season, that the

the losses sustained, by the violence of Muchtar Khan, would finally be refunded. CHAP. III. 1693-94.

The Presidency of Surat had not been able to establish any inland Factories, to facilitate the purchase of goods:—considerable quantities of pepper had been collected at the stations on the Malabar Coast, which remained in the warehouses, from want of shipping to convey them to Europe, and eleven thousand maunds of coffee had been imported from Mocha, which would form part of the investment, but that cotton-yarn could be obtained only in small quantities.(1)

The events in PERSIA were, also, in this season, uninteresting. It appears, only, that the Dutch (notwithstanding their embassy, and the presents they had given) had not been able to obtain a Phirmaund for trade, and that the competition, between them and the English, remained nearly under the same circumstances, as in the preceding year. An unforeseen difficulty had arisen, from the appointment of a new Khan of Caramania, who appeared to be rather unfavourable to the English interests, and who could be conciliated, only, by large presents, his authority being necessary to obtain that proportion of Caramania wool, which the Court had required:—under these difficulties, however, the Agent and Council had complied with the Court's orders, respecting wool, rhubarb, and lapis lazuli, and were collecting a considerable proportion of wool, for the shipping of the ensuing season:—Notwithstanding the confidence placed in

(1)—Letters from the President and Council of Surat to the Court, 28th April, 12th May, 15th September, 31st October, and 19th December 1693.

CHAP. III. 1693-94.

in the Armenians, this people had entered into a speculation of purchasing shipping, that they might engross the carrying trade, between Persia and Bengal, which would diminish the amount expected from the Company's consulage, and the moiety of the customs at Gombroon; for four hundred tomands, only, had been received, as part of the customs of 1692.(1)

Measures of Sir John Goldesborough, for improving the Company's affairs on the Coromandel Coast:

The information from FORT ST. GEORGE and BENGAL, in this season, communicated the measures devised by Sir John Goldesborough at Fort St. George, Fort St. David, and Vizagapatam; those which he devised for restoring the Company's commercial interests in Bengal; his death; and the circumstances under which each of these stations were placed, after this last event had deprived the Company of his services.

Agreeably to his first instructions, as Comimssary, or Supervisor, Sir John Goldesborough, after establishing Mr. Higginson, as President at Fort St. George, proceeded, on the 13th June 1693, on his tour of inspection. He began with a survey of Fort St. David, where his attention was directed to keep in check the projects of the Dutch Factory, at Cuddalore:—he found that the Dutch had landed a considerable quantity of ordnance and military stores, at Fort St. David, which they represented as intended for a projected attack on the French settlement at Pondicherry, of which they got possession in 1693. This incident is memorable, rather from the importance of Pondicherry, in after times, when it became the seat of the French power

(1)—Letters from the Agent and Council at Gombroon to the Court, 6th June and 26th August 1693.

power in India, and the subject of so many treaties, than from the effect which this first capture of it had, on the relative interests of the European Maritime Nations in India. Jealous, however, of a new friend, but an old rival, it was determined, on consultation, to desire the Dutch to remove their guns and stores out of the English bounds at Fort St. David; and to prepare this station for any emergency, the works were formed into a regular fortification, and trees of quick growth were planted, to mark the limits of the English settlement. After taking these precautions, it was resolved to fix the duty on customs at the same rate as at Madras, or five per cent. on goods shipped from Porto Novo, and the land customs at the port of Cuddalore, on cloths, silk, indigo, saltpetre, drugs, and metals (gold and silver excepted), at two and a half per cent. It was not, at first, considered prudent, from the short time which had elapsed since the possession of Fort St. David, to impose any quit-rents on the houses; but, subsequently, a duty was established, payable from the 1st July 1693, on all houses, both in Tegnapatam and Cuddalore, of from four fanams to eight rupees, each house, according to its size and trade :—licences, also, were issued, for retailing tobacco and beetle leaf, which were farmed, for one year, at eleven hundred chuckrems, each chuckrem being estimated at ten fanams. Before quitting Fort St. David, Sir John Goldesborough made an agreement with the merchants for an investment in cloths, to the amount of twenty thousand pagodas.

Having

CHAP. II.
1693-94.

Having adopted these measures for the safety and revenue of this new establishment, Sir John Goldesborough returned to Madras, on the 11th July 1693, from which, after leaving general instructions, he proceeded, on the 29th July, to Vizagapatam, and on his arrival, on the 2d August, found that the Factors at that station had completed their purchases from the Gentoo Merchants, for the investment of the season, to the amount of twenty thousand pagodas.

—and in Bengal.

Sir John Goldesborough, conceiving his presence to be required at Bengal, left Vizagapatam, and arrived at Chutanuttee on the 12th August 1693, and discovered that the Company's affairs were in the greatest disorder, either from their servants being incompetent to, or negligent of their duty. Mr. Charnock died before the arrival of Sir John Goldesborough, and his situation of Agent was filled by Mr. Ellis, the next in seniority.

On taking a review of Mr. Charnock's proceedings, Sir John Goldsborough gave it as his opinion, that the talents and services of this Agent had been greatly over-rated, for though he had acted with honesty, as far as regarded the Company's interests, he was indolent and indecisive, and at no time had checked the dishonest dealings of those serving under him;—an opinion which is strengthened by a retrospect of his conduct in the late war, in which, though the Court did not impute blame to him, they had censured his timid and obsequious measures, which had been overlooked, only, when contrasted with the rash and improvident proceedings of Captain Heath. Besides this indecision, Sir John Goldesborough notices a trait in his character, which

which always attends timid men, when placed in difficult situations, or a low artifice, which encourages dissentions among subordinates, to fix the attention of the Court on the misconduct of inferior servants, as having occasioned the failure of his own measures:—nor did Sir John Goldesborough consider Mr. Ellis, who succeeded Mr. Charnock, to be possessed either of talents or virtues, which would qualify him to discharge his duty, for he described him, also, to be of an indecisive character, unfit for such a situation, and, therefore, immediately superseded him:—but, what strongly marks the necessity of more able Agents in Bengal, was, his not being able to fix on any other of the Company's senior servants, qualified for the duty, conceiving all of them to have acted with such impropriety, that he was obliged to suspend his choice for a considerable time, but, at last, decided in favour of Mr. Eyre, the Chief at Dacca.

Having, in this manner, given a form to the Agency in Bengal, Sir John Goldesborough began with making a reduction of above four thousand rupees, per annum, in the Company's establishment at Chutanuttee, and particularly of the military guard, of which a Captain Hill had the command, a man whose character he described to have been factious and irregular, in the extreme; he, therefore, ordered this officer to Madras, that his conduct might not again disturb the Company's interests in Bengal, reduced the soldiers to twenty, with two serjeants and two corporals, and allowed the soldiers four rupees each, per month, which

CHAP. III. 1693-94. which he considered to be a more ample allowance, than the troops of any other establishment in India received.

On examining the commercial proceedings in Bengal, Sir John Goldesborough found that the Agent had contracted for an investment of a lack and a half of rupees, above what the stock or cash could pay; that the shipping of this investment had been retarded, by the order of the Mogul (referred to under the head of Bombay), which the piracies in the Red Sea had provoked; but that the Mogul officers were at variance with each other, in enforcing this order, the Governor of Hughly being friendly to the Company, while the Nabob of Dacca, and the Governor of Ballasore, were inimical.

— his application to the Governor of Hughly, to obstruct Captain Pitt, an Interloper.

The last proceeding of Sir John Goldesborough, in Bengal, appears to have been an application to the Governor of Hughly to obstruct Captain Pitt, a determined leader among the Interlopers, who had arrived in the river, on the 1st October 1693, with a large vessel, and a valuable cargo:—the application proceeded on a reference to the late war, which had been owing to the encouragement given to the Interlopers, and concluded with intimating, that if this person should be allowed to trade, the English must again remove from the country, it being impracticable to trade, if exposed to the resentment of the Country Powers, from the conduct of men acting without the authority of the Company. In answer, the Governor of Hughly promised to stop the sales and purchases of Captain Pitt, and to issue orders to his subordinate officers to that effect.

While

While Sir John Goldesborough was pursuing these prudent and spirited measures, his death, in January 1693-94, left the Company's affairs in Bengal to the management of Mr. Eyre, who had not reached Chutanuttee in time to profit by the instructions of the Commissary, whose impartiality had placed him in that rank.

CHAP. III. 1693-94.

Death of Sir John Goldesborough.

When accounts reached Madras of the death of Sir John Goldesborough, and when the Government was left to President Higginson, till Sir John Gayer could arrive from Bombay, the situation of the contending armies in the Carnatic materially affected the Company's settlements and trade:—as yet, the long expected Phirmaund, for confirming their privileges, had not arrived, though so large a bribe as twelve thousand pagodas had been given to Zulfaker Khan, the Mogul General, to purchase his good offices in obtaining it; and this affords another evidence of the large expences so frequently mentioned, which the Company had to incur, in acquiring the seats of their trade.

The Mogul army, which had so long besieged Gingee, at last found it necessary to retire, and to adopt new, though more slow means, for reducing it, or getting possession of the smaller forts in its vicinity, that they might effectually cut off supplies of provisions being sent to the Ram-Rajah, and the remains of the Hindoo army, which had taken shelter in this strong fortress:—an incident, however, at this crisis, occurred, which proves that the Mogul power in the Carnatic was on the decline; the Hindoo Rajah, who had possession of Tanjore, and who still had been able to defend that country, was

Plot of Dr. Blackwell, to deliver Fort St. David to Zulfaker Khan, the Mogul General.

CHAP. III. 1693-94. was deemed so formidable, that a peace was concluded between him and the Mogul, which, by recognizing his authority, left a Mahratta station established in the Carnatic; and yet the parties of the two contending armies continued an irregular warfare, which drove many of the Natives to seek protection at Fort St. George, and, at the same time, the report of Zulfaker Khan's intending to proceed against Tanjore, drove many of the inhabitants to Cuddalore and Fort St. David. If this influx of inhabitants, in the first instance, had the effect of encreasing the revenues, it afforded an opportunity to those, who had found shelter, to give information to the Mogul officers of the magnitude of them, which excited an alarm, that a large demand might be made on Madras and Fort St. David for a tribute:—it soon appeared, however, that tribute was not the object of the Mogul officers, but to get possession of the whole of the English property, by corrupting some of the Company's servants to betray both stations to them. Fort St. David, being the weakest, was first thought of, and the surgeon of the place, a Dr. Blackwell, who had, from his profession, got access to the Mogul's camp, became, for a large bribe, the instrument of the enemy;—in return, he was to be made Governor of Porto Novo, and to hold it under the Mogul's protection. Blackwell's treason was fortunately discovered, and he was seized and carried to Madras, where he made a full confession. It was at first intended to send him direct for England, but the President was obliged to detain him, (though his liberation was frequently demanded by the Mogul officers) till it could be ascertained

ascertained what claims might be made on him, which, from his being a Company's servant, the Presidency might be obliged to refund.

CHAP. III. 1693-94.

Several Factories on the Coast withdrawn.

During these events, the President informed the Court, that he had complied with their orders to withdraw the Factories from Masulipatam, Madapollam, Pettipolee, and Conimere, the accounts of which were to be carried into the Fort St. David books, and was endeavouring to induce the merchants, at those stations, to live under the Company's protection, and to reside at Fort St. George and Cuddalore; but that he had found it impracticable to comply with the Court's orders respecting the investment, from no treasure having been sent to him, and goods to the amount of £15,000 only, and from a debt of twenty thousand pagodas having been incurred, in purchasing that proportion of the investment, which was intended to be shipped for Europe.

The Prince's Nishân for coining money at the Fort received.

Mr. Higginson, at this juncture, informed the Court, that the Presidency had received Prince Khan Buksh's Nishân, and the Grand Vizier's Perwannah, empowering them to coin rupees; but such was the scarcity of silver, that they were unable to avail themselves of this advantage.

Court's orders for improving the Corporation at Madras, impracticable.

On the subject of the Corporation of Madras, on which the President had received the Court's orders, it was found difficult to reduce the number of English exercising the office of Aldermen, because the Armenians refused to accept the office; the Jews, qualified for it, had left Madras; the Portuguese were unwilling to officiate, from fear of their coun-

CHAP. III. 1693-94.

trymen settled at St. Thomé; and it was not safe to confide in the Moors or Mussulmen.

Situation of affairs at Bencoolen.

There does not appear to have been any direct communication from BENCOOLEN, this season; but, from the Madras correspondence, it can be collected, that Mr. Holcomb, whom Sir John Gayer had appointed to proceed to that station, had, under various pretexts, declined the duty, and, therefore, the Company's affairs in that quarter remained in confusion, their books not having been made up for some years, and the Factory at Indrapore deserted.(1)

(1)—Sir John Goldesborough's Diary, June to August 1693.—— Letters from the President and Council at Fort St. George to the Court, 17th June 1693, and 17th February 1693-94.—— Letters from Sir John Goldesborough, and his Agent and Council, in Bengal, to the Court, October and November 1693.

1694-95.

CHAP. III.
1694-95.
Additional Charter granted to the Company, specifying regulations for the management of their affairs.

If the applications of the Company, to have the rights under which they had hitherto acted, rendered more perfect, by having them founded on an Act of the Legislature, had, in the preceding season, produced only new grants from the Crown, on the 7th October and 11th November 1693, their efforts on the same subject, in the season we are about to review (notwithstanding the attempts to absorb the funds and interest of the principal Interlopers) continued to be ineffectual :—this disappointment was the more severely felt, from the large addition made to the Company's stock, deemed equal to the estimated magnitude of the East-India trade, and from the obligation they had come under, to export British produce to a large amount. Their rights, however, during this season, remained on the same basis, without any other alteration, than a confirmation, by Letters Patent, dated the 29th September 1694 (6th William and Mary) of the two Charters before mentioned, with the object of giving validity to certain regulations devised for the internal management of the Company's business, in general, or rendering the application of cash subject to the orders of a General Court, and that any eight Adventurers, possessed of £1,000 stock each, might require a General Court to be held, on eight days' notice :—A proviso,

similar

CHAP. III. 1694-95.

similar to that which is to be found in all the Charters, was inserted in this; that should these privileges not be found profitable to the King and to the Realm, they should, on a notice of three years being given under the Privy Seal or Sign Manual, be declared void.(1)

While the Company's rights were open to such contingencies, we have to follow their proceedings, at home and abroad, resorting again to expedients calculated to impress the nation with a just opinion of the magnitude of their efforts, under the difficulties which they had to meet and to overcome, during a period of general war in Europe; and endeavouring, by corresponding expedients, to obviate the infringements of grants and privileges by the Indian Powers, in the purchase of which they had expended those immense sums, now almost sunk into an unproductive, or dead stock.

Plan for the correspondence with the Court, and appointment of a Secret Committee for shipping.

In the preceding year, the Court had appointed Sir John Gayer to be their General, with powers similar to those exercised by Sir John Goldesborough; and the more fully to impress the different Presidencies and Councils with their dissatisfaction, at not having received specific intelligence on the state of their affairs, and from their orders not having been complied with, it was declared to be an established regulation, that all orders sent to India should be signed by the Governor, Deputy Governor, and twelve Directors, except such as should regard the sailing of the homeward-bound ships, which were to proceed from a Secret Committee, appointed for that purpose:—this resolution the Court

(1)—Letters Patent, dated 28th September 1694, (5th William and Mary). (Printed Collection of Charters, page 169.)

Court illustrated, by explaining, that they had been prevented from sending such orders, as the state of their affairs required, from not having received any statement of their debts, credits, and remains, particularly from Bombay, and from the ship Modena not having arrived from Surat, circumstances which had compelled them to lose the first of the season in dispatching the ships to India;—that, notwithstanding such untoward events, they were resolved to equip four large ships for SURAT and BOMBAY, one or two of which, according to the circumstances of the trade, were to proceed with a large assortment of woollens, and other British produce, for the Persian market.

Commercial orders for Surat, Mocha, and Persia.

As the commercial orders this season chiefly originated in the Court's anxiety to meet the public wishes for encreasing the export of British woollens, and as the principal market for the sale of them was expected in Persia, it may be proper to bring into notice the orders immediately applicable to Surat and Bombay, in their connection with Persia.

After referring to the misfortune of the Company's ship, Berkley Castle, having been sunk in the Channel by a French man of war, which had prevented the dispatching the first ships of the season, the Court ordered, that one of the ships, on its arrival, should be dispatched from Surat to Mocha, to take in coffee, olibanum, and myrrh:—the captain and an Armenian merchant, who was to assist him, were to be allowed, as an encouragement, five per cent. commission:—from Mocha he was to return direct to England:—the Company's ships were not, in future, to touch at Cong, but to go direct to Gombroon, and all the lesser

CHAP. III. 1694-95. lesser country vessels were to be sold, as they had been attended with an immense expence and risk:—though the insinuations against the Armenians had been received, the orders for fulfilling the contract with them, were continued, because the Court conceived that Armenian shipping, in India, would be of material advantage, as the duties which they paid at Fort St. George, amounted to a larger sum than what had been received from the Consulage at Gombroon:—if any Interloping Ship should arrive at Surat or Bombay, every expedient should be taken, to prevent her obtaining a profitable sale of her cargo, or an investment for Europe.(1)

The price of English cloths ordered to be raised in Persia, in consequence of the capture of the English and Dutch Turkey fleets by the French.

If the Court's instructions to Persia, in the preceding season, arose from the obligation into which the Company had entered, to export a large amount of British staple and other produce, and if, at that time, it was considered, that a small proportion of these goods could be disposed of in India, the event of the capture, of the English and Dutch Turkey fleet, by the French, in 1693, became a new incentive to the encouragement of the Persian trade, and to the reliance of the Court on this market being rendered profitable, by means of their contract with the Armenians, at Ispahan. The whole of the investment of cloth sent by the Turkey fleet to Aleppo, thence to be carried to Ispahan, having been lost, the Court directed that the price of the English cloth exported by the Company, to Persia, should be advanced at least £50 per cent.; and this trade would be attended with a double

(1)—Letters from the Court to the General, President, and Council at Bombay and Surat, 6th June 1694, and 6th March 1694-95.

double advantage, if conducted with ability, for it might divert the long established course of the silk trade, between Persia and Aleppo, and render Ispahan the centre of it, where it might be exchanged, by barter, for the English cloths; the silks procured at this capital must be sent to Gombroon, to be loaded on the Company's ships for Europe, which would render the East-India trade the means of increasing both the navigation, and the revenue of England:—every facility, therefore, must be given to the sale of woollen cloths, to enable the Court to send out another large stock, to Persia, in the following year, and fulfil the commercial obligation entered into, on obtaining their late Charter.(1)

Instructions for Coast and Bay general, from the dispatches being lost in the Berkeley Castle.

The instructions of the Court to Fort St. George, Fort St. David, and Bengal, this season, are limited, from the dispatches from those stations, in the season 1693-94, having been lost in the Berkeley Castle;—we discover, only, the same circumstances regarding their Charter (detailed in the instructions to Surat) with a repetition of the orders of the Court, to conform to those of the Secret Committee;—Sir John Gayer had been appointed General in India, Mr. Higginson Lieutenant General, and Mr. Hatsell President of Fort St. George, with seven Members of Council, who were to retain their seats, notwithstanding the controlling power of Sir John Gayer:—Mr. Higginson was to have the option of residing, either at Fort St. George, or at Fort St. David, and the Agency of Bengal was again to be subordinate to

(1)—Letters from the Court to the Agent and Council in Persia, 30th March and 6th June 1694, and 8th March 1694-95.

CHAP. III. 1694-95.

Fort St. George, in the same manner as previously to Mr. Charnock's appointment

Precautions to be taken at Fort St. George, and Fort St. David, should the French land at the Coromandel Coast.

The report of the French equipment intended for India, of nine ships, with twelve hundred soldiers and eight hundred seamen, necessarily created an alarm for the safety of the Company's Settlements; the Court, therefore, ordered, that the fortifications at Fort St. David should be strengthened, as much as might be practicable;—that a proportion of Caffres, or blacks, should be disciplined to act as soldiers, taking care that they should be fresh men from Mozambique, who were ignorant of the Portuguese language, and, therefore, less liable to be corrupted; and that a large reinforcement of soldiers (English and Swiss) would be sent, this season, to form an additional company;—that an attempt should be made to enlist some Armenians, as soldiers, to render the garrison more efficient, assigning as a reason, "that every recruit sent from "England cost the Company £30;"—in the event of the French appearing off the Coast, the volunteer troop of horse was to be kept in constant readiness to prevent the landing of the enemy, and all the boats, both at Madras and St. Thomé, were to be secured;—farther, to be in a situation to resist, presents were to be made to the Mogul officers, to induce them to bring part of their army to act against the invaders,—an expedient probably suggested, by the Dutch having bribed Zulfaker Khan, the Mogul General, as well as the Ram-Rajah, to suffer them, without opposition, to attack and capture Pollicherry.

The

CHAP. III. 1694-95.

The Court approved of the manner, in which the revenues of Madras had been managed, and of the building the new Town-Hall:—As a farther encouragement to the Corporation, the Court recommended, that a Post Office and an Insurance Office, should be established, and repeated the instructions, to offer encouragement to artists, who were eminent for ornamenting cloths, to settle at the Fort.

A Post Office and Insurance Office to be established at Madras.

The like encouragement was to be extended to Fort St. David, in consequence of a Perwannah for that station having been obtained from Zulfaker Khan; and, on this ground, efficient measures were to be taken to encrease the revenue.

From a deficiency of intelligence from BENGAL, the Court directed, that either Mr. Beard, whom they had nominated, or Mr. Eyre, who had been appointed by Sir John Goldesborough, (as the one or the other might be in possession of the office, at the arrival of the dispatches,) should be confirmed, and that, in future, Chutanuttee should be fixed on, as the chief residence of the Company's Agent.

Chutanuttee fixed on, as the Company's chief residence in Bengal.

In a similar manner, from not having received advices from BENCOOLEN, it can only be collected from the orders to Madras, that the Court continued resolved to maintain that station, by allowing a salary to the Governor or Agent, of £200; to the Second and Third in Council, £100; to the Fourth, £50; and to the Fifth, £30 per annum; and that a free trade should be permitted at this Settlement, on payment of the Company's established duties.(1)

Free trade permitted at Bencoolen, on payment of the Company's duties.

The

(1)—Letters from the Court to the Lieutenant General, President, and Council of Fort St.

CHAP. III.
1694-95.

Death of President Harris, and succession of Mr. Annesley.

The political and commercial proceedings at BOMBAY and at SURAT, during this season (1694-95), are of that mixed kind, which renders it difficult to supply the defect of either, from the information of the preceding year, after the period of the death of President Harris, on the 10th May 1694, who was succeeded by Mr. Annesley.

Sir John Gayer's report on the state of affairs at Bombay.

Sir John Gayer, on his arrival at Bombay, on the 17th May 1694, found the Company's Government and trade in a miserable condition; for the revenue had been reduced from 62,500 to 17,000 xeraphins, and the principal source of it, or the cocoa-nut-trees, from being totally neglected, had yielded a small sum only:—the order of the Court, respecting the forfeited estates, had been obeyed, and the lands restored to the proprietors, who had not actually assisted the Siddee in his invasion, on condition of paying one-fourth part of the produce, for the first year, as a fine;—but the garrison was weak, consisting only of about one hundred English, Dutch, and French soldiers, and, therefore, it would have been imprudent to have discharged the Gentoos, till a reinforcement should arrive from Europe.

Sir John Gayer determined, however, to make Bombay the centre of the English trade on the West of India, and as the season

St. George, 28th February and 6th March 1694-95.—— Letter from the Court to the Governor of Fort St. David, 6th March 1694-95.—— Letter from the Court to the Agent and Council in Bengal, 6th March 1694-95.

CHAP. III. 1694-95.

season advanced, he requested a further reinforcement of soldiers; for though forty-eight had arrived, it had been found impracticable to obtain either Madagascar blacks, or to induce the Armenians to serve as soldiers.

Permission obtained to form a fortified settlement at Anjengo.

Efforts had been made to form Settlements on the West Coast, but these had been counteracted by the Dutch, who had employed their habitual artifices, to prevent the establishment of the English, in the places at which pepper could be procured;—Sir John Goldesborough had sent Captain Brabourne to form a Settlement at Brinjone, in the Queen of Attinga's country, a plan which she opposed, though she granted permission to settle and fortify at ANJENGO, on condition that the Settlement at Brinjone should be withdrawn, and that the English would contract to purchase all the pepper her country produced, and pay two and a half per cent. on all goods imported and exported, with a present of seventy-five Venetian sequins. Sir John Gayer was of opinion, that if Anjengo could be made sufficiently strong, it would furnish a large quantity of pepper, cardamoms, &c., and enable him to withdraw the Factory from Calicut. An offer had, also, been made by the Rajah of Tellicherry, to allow the English to take possession of that place, and to fortify it, explaining, that otherwise he could no longer furnish them a proportion of pepper, from being unable to defend his country:—this offer the Presidency would accept, if they should receive the orders of the Court, both because the place was healthy, and better situated for the pepper trade than any other station on the Malabar Coast, it being estimated,

that

CHAP. III. 1694-95.

that two thousand candies, of the best kind, could be annually collected at this station.

The Company's credit lowered, by the conduct of White, the Interloper.

Under these precarious circumstances, at Bombay and at Surat, the commercial proceedings were necessarily fettered by the magnitude of their debt, and want of stock :—the President of Surat complained, that not only the stock sent had been inconsiderable, but that the creditors of the Company had become urgent, from the misrepresentations of the Interlopers, who had reported the Company's funds, in England, to be at the lowest ebb :—this report was seconded by the ship Henry, Captain White, which, at this time, arrived at Surat;—the President, on this occasion, applied to the Governor, to interpose his authority to exclude this vessel from trading, and offered, in return, that the Company would employ their ships to convoy the Mocha and Judda fleets, and protect their trade ; Mr. White, however, by the assistance of the French and Dutch Factories, received a pass from the Mogul, allowing him to trade, and all the President could obtain from the Governor was delay in dispatching him. In this situation, the President endeavoured to come to terms with Mr. White, by offering to him permission to return to Europe, on the terms of the Armenian contract, which he rejected; and what added to this evil was, that this Interloper not only escaped on board his own ship, but the Governor obliged the Presidency to become security for his good behaviour, under the penalty of seizing the Company's Factory. This event affords another example of the impracticability, at so great a distance, of fulfilling orders from England; for, at the very time President

dent

dent Annesley was obstructing this Interloper, according to former orders, he received notice that the Court had purchased this ship, which, with the cargo, by this means, became the property of the Company;—a measure, the nature, or the consequences of which, however commercially intelligible in England, it was impossible to explain to the Governor of Surat, or to his subordinate officers.

CHAP. III. 1694-95.

Difficulties from the want of stock, and from the Company's great debts.

While the trade was under such embarrassments, the difficulty of forming an investment may be collected, from the representation which the Presidency gave of the state of their funds. Instead of receiving eight lacks of rupees from Bombay, they had only obtained three lacks and a half:—the Company's debt at Surat amounted to twenty lacks, and they had been obliged to raise an additional supply of one lack and eighty thousand rupees, to enable them to complete the investment for three ships. To raise this sum, they were forced to allow individuals to enjoy the privileges of the Armenian contract; but after all these efforts, it could only be procured, by taking up money, by loans, from the Company's servants. (1)

The death of the King of Persia checks trade, till the Company's

The view of the Company's trade and interests in Persia, during this season (1694-95), when compared with the instructions of the Court to their Agent, and the information they had received

(1)—Letters from the General and Council at Bombay to the Court, 3d October 1694, 11th and 16th February 1694-95.—— Letters from the President and Council at Surat to the Court, 15th November and 8th December 1694.—— Contract with the Queen of Attinga, for settling and fortifying at Anjengo, June 1694.

CHAP. III. 1694-95. privileges should be confirmed by his successor, Sultan Hossein.

received in the preceding year, will again shew, that compliance with orders must always depend on the political and commercial situation of the country, in which those orders are to be executed. If, at home, it was an object to fulfil the obligation to export a large proportion of British woollens, to be bartered for Persian silk, and other produce, and if the capture of the Turkey Company's ships promised, that the market would be more open, the death of the old King of Persia, in June 1694, required, that new applications for protection should be made to Sultan Hossein, his successor; for, in Persia, the obligations of the King, in such inferior matters as commercial privileges, were held to terminate at his death: and hence, the new Sovereign was to be solicited to re-grant, or to extend them:—the Company's Agent, therefore, explained, that it would be necessary to apply for, and obtain a new Phirmaund, for confirming the privileges which they had enjoyed under the late Sovereign; and that he would endeavour to have a clause added, exempting the Company from giving large presents to the Khan, or to the Shahbunder, but added, that he would be obliged to give two years' tribute to the Khan of Caramania, who already had interdicted the purchasing of wool, beyond the extent of seven hundred maunds a year:—the Agent, besides, (as appeared in the preceding detail), had been compelled to give presents to the Shahbunder, who had only paid the Company's customs to the 1st March 1691-92. In the progress of this season, he purchased one hundred and seventy-two

seventy-two bales of Caramania wool, but had not been able to obtain any farther payment of customs, the Shahbunder, from an invasion by the Arabs, who had plundered Cong, having been obliged to remove into the interior.

CHAP. III. 1694-95.

Formidable naval power of the Arabs at Muscat.

The strength of the Arabs at Muscat, in shipping and forces, was, at this time, so great, as to excite an alarm, that they would obtain the command of the Persian Gulf. The Agent at Gombroon described the Arab fleet to consist of five large ships, on which they had embarked fifteen hundred men; —that they had plundered Cong, to the amount of sixty thousand tomands; had captured a very valuable Armenian ship; and apprehensions were entertained they would attack Gombroon;—that it was supposed the King of Persia would march an army to resist them, and the Khan requested, on receiving information that twelve Arab cruisers were in the Gulf, that the Company's ship Nassau, then at Gombroon, should be detained for twenty days, to assist in the defence of it, to which the Agent had consented;—farther, from the Kings of England and Persia being in alliance, that the English would employ their fleet in repelling the attack, as it was supposed the Arab vessels would turn pirates. In answer, the Agent reminded the Khan, that three years' customs were due to the Company.

Doubtful character of the Armenian merchants in Persia, to whom the English cloths had been consigned.

These mixed political events explain the satisfaction which the Agent expressed, that the large quantity of cloth, which had arrived from England, had been consigned to the Armenians, and, from this confidence, he trusted, they would act ho- norably,

CHAP. III. 1694-95. norably, as they were the best judges of the mode of bartering cloths, for money or silk, and could execute this part of the order at less expence; but, an Agency and Council, (agreeably to orders) should be fixed at Ispahan, to watch their proceedings.

The ship Nassau, with part of the cloth assortment, arrived at Gombroon on the 29th of January 1695, and immediate notice was sent to the Armenian merchants at Ispahan, with a request, that it might be bartered for silk and money, with as little delay as possible. The Armenians, however, insisted, that the imports of cloth by Aleppo had not diminished, and that the merchants, who had been accustomed to receive a supply through this medium, would not easily be persuaded to break through an established trade;—that silk had become dearer, and that they wished no farther supply of this staple might be sent, till the quantity received could be sold, and, therefore, requested the Agent might come to Ispahan, to assist them in the sales;—this he was the more disposed to comply with, from the Sub-agent at Ispahan being of opinion, that two of the five Armenians, to whom the goods had been consigned, were men of doubtful character, who would turn every thing to their own, and not to the Company's advantage. After informing the Court that the cloths received by one of the ships (the Nassau) were in bad condition, though those by the other ship (the Mary) had come safe, the Agent, in consequence of being pressed by the President of Surat for money, had been obliged to write to Ispahan to take up two thousand tomands, at interest, and that, as soon

as

CHAP. III. 1694-95.

as the cloth could be disposed of, the proceeds would be sent to Bombay and Bengal, in aid of the Company's investments from those countries.(1)

Mr. Eyre, the Agent in Bengal, obtains an order from the Mogul for removing the embargo on the Europe trade.

If the loss of the dispatches in the preceding year, from FORT ST. GEORGE and BENGAL, in the Berkeley Castle, left the Court without information, respecting the trade at those Settlements, the still greater loss, this year, of their fleet from India, which was captured by the French, deprived them of intelligence respecting Madras; for a single dispatch, only, aided by some communications between Bengal and Bombay, remains, and affords some general remarks on the situation of affairs in Bengal.

On the death of Sir John Goldesborough, Mr. Eyre, whom he had appointed Agent (Mr. Ellis being dismissed), had taken charge of the Company's interests, and, on the first aspect of them, had formed the opinion, that the reduction of the subordinate Factories had occasioned considerable difficulty, in procuring an investment to meet the ships of the season, and that SEERPORE, which had been recommended by the Court to Mr. Charnock, as a proper station for a Factory, could not furnish one quarter part of the goods procured at Dacca or Malda :— these communications to the Government of Bombay, were transmitted to the Court, as early as the month of April 1694,

and

(1)—Letters from the Agent and Council at Gombroon to the Court, 5th June and 14th December 1694, 10th January, 11th February, and 11th March 1694-95, and 27th March 1695.—— Letter from the Armenian Merchants at Ispahan, to the Agent at Gombroon, March 1695.

CHAP. III. 1694-95. and they are illustrated by subsequent intelligence in the month of December. At this time it was stated, that "a Husbulhookum" had been obtained, in the month of June, from the King, which had removed the general embargo on the trade of the European nations, and allowed them to recur to the exercise of their privileges of trade:—this relief had arisen from giving a small present to the Governor, which, in the opinion of Mr. Eyre, was preferable to sending a larger bribe to the Nabob, because, even in cases where his authority had been afforded, the inferior or subordinate officers, by evasions and by artifices, found means to prevent the Agents from deriving those advantages, which the spirit, or letter, of the order promised.

From the mildness of the administration of the existing Nabob and Duan, the situation of the Company's affairs in Bengal was much improved; but the Agent and Council described the impracticability of obtaining a fixed station, from the opinion of the Duan having been uniformly adverse to a positive grant being given; and that it would be difficult to raise a revenue, except under a Phirmaund, defining the Company's right to a seat for trade:—the partial duties, for instance, which the Agents had been collecting at Chutanuttee, amounted only to one hundred and sixty rupees per month; but they entertained the hope, that a grant might ultimately be procured, and, with this view, had endeavoured to obtain the lease of two or three towns, adjoining Chutanuttee, at the rent of two or three thousand rupees per annum, at which place,

place, under Sir John Goldesborough's directions, expences had been considerably reduced; it had, however, become impossible to carry the Court's instructions, for settling a Court of Judicature, into effect:—the Factories had been withdrawn from Dacca and Malda, agreeably to orders, but without those Out-stations, it would be impossible to collect goods for an investment, the re-establishment of them was, therefore, recommended;—the death of the Nabob of Patna, it was expected, (as he had always been inimical to the English,) would facilitate the purchase of saltpetre. The certificate of the amount of British produce, received in Bengal, had beentransmitted, as directed, to serve as a voucher to the Company, of having fulfilled their obligation with the King.

Under this accumulation of difficulties, the Agent described the Interlopers to be encouraged by the Dutch, particularly at Hughly (twenty-four miles higher up than Chutanuttee), a station which afforded them great advantages over the Company's servants in purchasing goods, as they had, from their having ready money, collected an assortment estimated at three lacks of rupees.(1)

(1)—Letter from the President and Council in Bengal to the General at Bombay, 16th April 1694.—— Letters from the President and Council in Bengal to the Court, 14th December 1694, and 15th January 1694-95.

1695-96.

CHAP. III.
1695-96.
Unsuccessful efforts of the Company to obtain an Act of Parliament for confirming their privileges;

ANOTHER year had passed over, without obtaining an Act of Parliament, upon which the Company could rest their chartered rights and exclusive privileges; and, during that year, several events occurred, which urgently called for this protection from the Legislature. As in the preceding season, however, the Court were obliged to struggle with adverse events, and to manifest a decided resolution to persevere in upholding the East-India trade, till the Legislature should ultimately grant what their conduct rendered a reasonable demand.

—and for suppressing the Interlopers.

The Court, in this situation, informed Sir John Gayer and the Presidency of SURAT, that the expedients which had been adopted, for suppressing the Interlopers, both at home and abroad, had failed:—at home, by the applications to have their voyages stopped, being refused; and abroad, by their not being excluded from the markets, though large stock had been employed, and though some of their vessels and cargoes had been purchased and absorbed in the Company's trade:—after all, several of these interloping equipments were proceeding, the Company's servants, therefore, were directed to obstruct their sales in the foreign markets, while, at home, the Court would continue their applications to Parliament;—at the same

same time, they acknowledged that they entertained doubts, whether the Legislature would, from the prejudices against the Company, industriously spread by the Interlopers, confirm the Old, or London Company, by an Act, or institute a new East-India Company :—an event, also, had occurred, which, though disconnected with England, yet, from the relation which it bore to the affairs of the Company, promised to evince the necessity of confirming, by Act of Parliament, the Company's Charter and privileges.

CHAP. III. 1695-96.

Establishment of an East-India Company, by Act of Parliament, in Scotland, with extensive privileges.

The Parliament of Scotland, on the 26th June 1695, passed an Act, enabling the King (as King of Scotland) to constitute a Scottish Company, with powers to trade to Africa and the Indies, and had authorized it, besides, not only to trade to the countries within the London Company's limits, but extended its range to America, and the West-Indies.

The Directors of the London Company were naturally alarmed at the establishment of a rival, equally under the protection of the Crown with themselves, and more firmly established by an Act of Parliament, in a part of the Island, which, though subject to the same Sovereign, had been supported by a different Parliament; the Court, therefore, complained of their situation, that, after so many applications to the English Parliament, redress had not only been withheld, but their privileges annually invaded by a succession of Interlopers.

This apprehension of a new rival in the Scottish Company, and of its interferences in the East-India trade, was strengthened, by the ample privileges with which the Parliament

CHAP. III. 1695-96. ment of Scotland had vested it, which, in all respects, were greater than the London Company had acquired, in the successive Letters Patent, under which they had acted, for almost a century.

The Act defined the limits of the Scottish Company to be, in general, the East and West-Indies, the Straits, the Mediterranean, and the Coast of Africa; giving it, thus, permission to enter the limits assigned to the Turkey, African, and East-India Companies. This Association was united, as a Company, on the 1st day of August 1696:—one-half of the stock was to be subscribed by Scotchmen, within that kingdom;—the shares were divided into portions, from £100 to £300;—they were to have power to make rules and bye-laws;—to fit out, freight, and hire ships, notwithstanding any former Act of Navigation;—to plant colonies, build and fortify towns, in any country in Asia, Africa, or America, not possessed by Europeans, and to make treaties of peace with the Native Powers;—their ships were to return to Scotland direct with their cargoes; and the privileges were to continue for thirty-one years, and to be exclusive, excepting that any ship of the kingdom might trade to countries not settled by this Company;—they were to have the sole power of government and Admiralty rights;—to procure privileges from foreign Princes, and to have those privileges confirmed by the King;—to be exempted from customs, taxes, &c., except for sugar and tobacco, should these articles be the growth of the colonies which they might establish.

The

CHAP. III. 1695-96. Court apprehensive, that this Company might afford new subterfuges to the Interlopers.

The opinion of the Court of Directors of the London Company on this subject, was, "that the Parliament of Scot-"land had made an act to establish an East-India Company "in that kingdom, upon too right a foundation, if they had "money or experience to carry it on." (1)

Though

(1)—It does not appear, from the records of the East-India Company, at this juncture, that the establishment of the Company of Scotland, trading to Africa and the Indies, formed a subject of deliberation to them, farther than that, at its institution, it was taken as a precedent, to strengthen the applications of the London Company to Parliament, for an Act upon which their privileges might be confirmed:—in this view, they referred to it as an indulgence, which had been granted by the King and Parliament of Scotland to a Company of that kingdom, and pleaded for a similar indulgence, as a reward for their exertions during a century. The proceedings of the Scottish Company not having interfered with those of the London Company, they could neither be viewed as competitors, nor as rivals; but the subject is of importance, as another example of misguided speculation, leading to losses and disasters, and of an enterprize which, by interfering with the trade and settlements of Spain, of France, and of Holland, occasioned those political embarrassments to the Crown of England, which obliged the King to abandon the Company of Scotland to its fate.

From the books of the Scotch Company, preserved in the Advocate's Library at Edinburgh, it appears, that the original subscriptions amounted to £400,000;—that the subscribers consisted of noblemen, gentlemen, merchants, and the Incorporated Towns in Scotland;—and that the transfers of their stock, by the original subscribers, began as early as 1697, and became more frequent as the projects they adopted wore an unfavorable aspect.

The administration of the affairs of the Company of Scotland was vested in a certain number of Committees;—that of *Improvement*, to provide shipping, stores, seamen and soldiers, arms, ammunition, &c.;—that of *Foreign Trade*, to prepare schemes for settlements and trade;—and that of *Waiting*, to manage their domestic

CHAP. III.
1695-96.

Though the apprehensions from this new rival chiefly were, that opportunities might be afforded, under its privileges, to the Interlopers, to fit out ships, and import Indian produce into England,

domestic concerns, money, accounts, &c.;—and for the accommodation of these Committees, they purchased a house in Milne Square, Edinburgh, for *£851. 8s. 9d.*

The proceedings of the Company of Scotland appear to have had the following progress:—at the opening of the business, the Directors considered the Act of Parliament and the Patent, as having vested them with powers to form such colonies, in any of the countries within the limits assigned them, as might be most favorable to the projected trade; and as, at this time, the King's subjects in Scotland had not privileges of trade in the English colonies, this part of the scheme appeared to be reasonable, though it will be found, in the sequel, to have been the source of the ruin of the Scottish Company.

The Act empowered this Company, to take in a considerable proportion of subscriptions from foreigners, to obtain which, they sent Agents to Amsterdam and to Hamburgh, and, in both of these cities, opened books for receiving subscriptions. As the plan held out to those foreigners the prospect of a trade to the East-Indies, it received encouragement from the speculators in the former city, who calculated on receiving East-India produce, through Scotland, independently of the Dutch established Companies; and, in the latter city, the hope was entertained of bringing that East-India produce to the Elbe, which had hitherto been supplied by the Dutch East-India Companies. That these Agents might more effectually strengthen their applications, they built or purchased ships, for the projected voyage, at both of those ports:—in the former, however, the Dutch East-India Company perceiving their object, thwarted the subscriptions; and in the latter, applications were made to the Senate, by the English Resident, to obstruct them.

As the sales of the stock of the Company of Scotland became more frequent, the value of it had a rapid depreciation, which was encreased, by the Usance at Amsterdam

England, these apprehensions, for the moment, were suspended, by their homeward fleet, consisting of the ships Resolution, Defence, Princess Ann, Success, and the Seymour Interloper, CHAP. III. 1695-96.

Amsterdam and Hamburgh being against Scotland; and, in the same manner, the stock was depreciated at London, by the rate of exchange, in England, being as high, against Scotland, as five per cent.

Notwithstanding these untoward circumstances, the Scottish Company equipped three ships, on which were embarked upwards of a thousand seamen and soldiers:—this fleet, after a long and sickly passage, arrived at the Isthmus of Darien, in November 1698. It was in this most favourable situation for establishing a Colony, in the centre between North and South America, (a situation which, had it been fortified, might have controled the political power and trade of both), that the Company of Scotland attempted a settlement. This Colony was to be administered by a Council of Seven, and the military force with which it was to be protected, was to be commanded by officers, with the rank of Overseers and Assistants, while the soldiers, instead of pay, were to receive portions of land, and to become planters.

When the Spanish Government received information of the destination of the Scottish Colony, the Ambassador of that Crown, in London, presented a memorial to the King, remonstrating against the invasion of a country which belonged to the Crown of Spain; objections were also made by the French and Dutch, to the formation of a Colony, which would interfere with the trade of their respective Islands and Settlements:—this brought on a discussion, which, though protracted, in fact became the source of the ruin of the Darien Colony.

For a considerable time, the Directors of the Company of Scotland, seconded by the Parliament of that Kingdom, presented petitions and remonstrances to the King, praying his protection, and received, through the Scotch Secretaries of State, promises of relief and redress.

The King, at last, to prevent the English Nation from political discussions with the Maritime Powers of Europe, which might have led to serious consequences, and

CHAP. III. 1695-96. Interloper, being captured, on the Coast of Galway, by the French fleet; a loss which would have overset any commercial enterprize, but one resting on a Joint Stock:—instead, however,

and to silence the discontents in England, at the establishment of a Colony of Scotland, which might interfere with those of England, ordered the Governors of Barbadoes, Jamaica, and New York, to prohibit, by proclamation, any intercourse, between the English Colonies and the Scotch Colony at Darien. This measure, notwithstanding the reiterated petitions to the Crown, by the Company of Scotland, and by the Parliament of that Kingdom, brought positive destruction on the new establishment at Darien, and obliged the unfortunate persons, who had settled at it, either to find their way to Europe, through the English Colonies, or exposed them to perish.

From these facts it appears, that the Company of Scotland had proceeded without any knowledge of trade, or of the requisite means for establishing a Colony, and that this ill-concerted project brought a general loss on the original subscribers, with the exceptions only of a few of their Directors, who, as Agents or Contractors, amassed large sums, from the credulity and false confidence of their associates. The strongest evidence, perhaps, that can be adduced of the causes of the ruin of the Darien Colony, is, to place in contrast the measures of the London East-India Company, devised by experienced merchants, who had introduced trade, and settled Factories, in countries, in which Europe produce could be sold, and foreign produce bought with profit, and the measures of the Scottish Company, constituted of persons who were strangers to trade, and who attempted the establishment of a Colony, in a country which was claimed, as the property of an European Power, in which the sale of Europe exports was as uncertain, as the obtaining of foreign imports, for a series of years, was impracticable.*

* Memorials of the English Minister at Hamburgh, and of the Spanish Ambassador, against the Darien Colony, and Petitions of the Scotch Company to the King, to the Parliament of Scotland, and to the Secretaries of State, from 1697 to 1699. (Printed 1700, and preserved in the Advocate's Library at Edinburgh.)

ever, of sinking under this misfortune, the Proprietors, amounting to twelve hundred persons (in the Court's words, in conveying intimation of this loss to the Presidency of Surat) "*with a true Roman courage,*" determined to add £300,000 to their stock, of which £200,000 was immediately paid in, and equipped eight ships for India, of which two were destined for Surat; and, upon an application to the King, obtained a convoy of four men of war, to attend the outward fleet of the season to St. Helena, and there to remain till the homeward ships should reach that Island, and then to accompany them to England. To render the convoy more effectual, a King's advice-boat was dispatched, to give the Governor of St. Helena notice of this arrangement; and with orders, from the Secret Committee, to the homeward-bound ships, to remain at St. Helena, in expectation of the convoy, till the 1st July 1696; but, in case of separation, each ship was to make for Corunna, in Spain, and there to wait for orders from England.

Sir John Gayer's authority confirmed, but under new instructions.

Having laid down this plan for their equipments and stock, the Court confirmed Sir John Gayer's authority to fill up the Council at SURAT, with such of their covenanted servants as might be best qualified for the trust; and blamed that Presidency, for their late dispatch of the ships, as the principal cause of the recent misfortune.

In the circumstances, therefore, under which the Company were placed, the Court repeated their orders, that no new Settlement was to be formed, without express authority, and disapproved of Mr. Brabourne's contract with the Queen of

Attinga,

CHAP. III. 1695-96. Attinga, for a Settlement at Brinjone, and of the attempt to open a trade into Moultan and Scindy, except by means of the Armenians, as there was not depth of water, in the Indus, for ships to proceed higher than Tatta.

As a preliminary to the commercial orders for the investment, the Court desired, that the fortifications at BOMBAY should be strengthened; and intimated, that they had sent an Engineer to direct this service, and a reinforcement, for the garrison, of seventy soldiers, under the command of a Lieutenant.

The commercial instructions are prefaced with a positive order to the Presidency of Surat, that the Company's books should be made up, and duplicates of them sent home, with the same regularity as previously to the war; because, without these books, the Court could not frame instructions, with any certainty of the practicability of their being carried into execution, nor put implicit belief in complaints, for want of evidence;—mean time, they would order Surat to be supplied with stock from Persia, at which they estimated the funds of the Company, at £250,000:—the Court could obtain only a very small quantity of bullion in this season, on account of the debased state of the coin, silver being at the high rate of seven shillings per ounce, and a guinea worth thirty shillings;—a small proportion, also, of the staple commodities of England had been shipped, from the rise in the precious metals having advanced the price of all British commodities, particularly those vendible in the East-Indies, from £50 to £100 per cent. The investment expected in return, was to include

include a large quantity of indigo, at whatever price it could be procured, because this article was much wanted in England, in consequence of the loss of the ship Modena, and because a thousand barrels of it had lately been lost, in a large French Indiaman which had been sunk :—it was ordered, also, that there should always be in store, at the Presidency, a considerable quantity of cotton-wool, stick-lack, olibanum, myrrh, sal-ammoniac, pepper, and coffee, for which last article a ship was to proceed to the Red Sea.

CHAP. III. 1695-96.

To these instructions the Court subjoined, that they had been informed, a Cowl for trade at Limpo, in China, had been obtained by the Presidency of Surat, and if such was the fact, they must conclude, that their servants had used this privilege for their own private trade and advantage. (1)

Courts orders regarding their affairs in Persia.

The Court, this season, do not appear to have received information of the actual state of affairs in PERSIA, and, therefore, the instructions of the preceding seasons remained in force, and the orders to the Agent consisted, only, of a repetition of their desire to learn, what English goods would be vendible in Persia, and that half of the goods shipped for Gombroon should be forwarded for sale, with all dispatch, to Ispahan; and concluded with a list of the articles expected in England, or Caramania wool, silks, and Ispahan chintzes, of the finest and most

(1)—Letters from the Court to the General at Bombay and the President and Council at Surat, 13th September and 18th December 1695.—— Letters from the Secret Committee of the Court, to the Governor of St. Helena, 29th November 1695 and 18th January 1695-96.—— Letters from the Secret Committee of the Court, to the Presidency of Surat, 18th January and 18th February 1695-96.

CHAP. III. 1695-96.

most varied kinds, of at least twenty pieces of each sort, to the amount of £20,000; adding, as a reason for exertion, the quick sale of these goods, and that the freight of the first ships of the season, had risen to £34 per ton, and of the latter ships, to £40 per ton. (1)

No new Settlements to be formed on the Coromandel Coast, till the Company's privileges should be settled by Act of Parliament.

The advices from FORT ST. GEORGE and BENGAL, during the last year, having been lost in the fleet captured by the French, the Court, in their instructions to Fort St. George, this season, stated, that the freight paid to Coast and Bay had risen to £40 per ton; an expence so great, that a resolution had passed, to prohibit any new Settlement being made on the Coast, and particularly not to re-settle, at Masulipatam, Pettipolee, or Madapollam, (the expences of those places having already occasioned a dead loss to the Company of above £100,000) till such time as their chartered rights and privileges should be confirmed by Act of Parliament:—they desired, at the same time, that every effort should be made, at Madras and in Bengal, to encrease the revenues and trade, and to reduce the expences, particularly at Vizagapatam; repeating the instruction, to provide a large quantity of pepper, and to rely on the Armenians to procure the finer articles for the Coast investment.

York Fort at Bencoolen, placed under the control of Fort St. George.

In like manner, not having received information from BENCOOLEN, the Court ordered, that the station of York Fort, and its dependencies, should be placed entirely under the control of Fort St. George, and explained, as a reason for throwing the responsibility

(1)—Letter from the Court to the Agent and Council in Persia, 15th January 1695-96.

responsibility on this Presidency, that the expences of the stations, on the Coast of Sumatra, had already amounted to more than £200,000. (1)

CHAP. III. 1695-96.

Distressed situation of Surat, from an apprehended attack by the Ram-Rajah;

If the domestic transactions of the London East-India Company have exhibited a series of obstructions and losses, which would have borne down the energy and credit of any, but an Association, proceeding on a Joint Stock, and acting with the provident spirit of English merchants, the losses and calamities which, in this season, the Company's foreign Presidencies and Settlements had to meet, would have produced a similar effect on their servants abroad.

The Presidency of SURAT had scarcely recovered the possession of that commercial credit, and those opportunities for employing it, by commencing sales and purchases, or the transient protection of the Mogul, and of the Governor of Surat, for their trade, when events occurred, which overset all their measures, and plunged them into distress, nearly equal to that which they had experienced, during the war with the Mogul.

—and of civil war, from the expected death of Aurungzebe.

The homeward fleet had scarcely been dispatched for Europe, in February 1695-96, when a well-founded alarm prevailed at Surat, that the Ram-Rajah's troops had approached to

(1)—Letter from the Court to the Presidency of Fort St. George, 20th February 1695-96.

CHAP. III. 1695-96.

to Nundrabad, within fifty miles of it. The English, French, and Dutch, on this occasion, fortified their factories:—Sir John Gayer sent twenty Topasses, with arms and ammunition, from Bombay, for the defence of the Factory; the Governor, having strengthened the fortifications, determined to make a vigorous defence against the enemy, and the Mahratta troops, on discovering this state of the city, retired about the middle of March.

This temporary relief was not, however, considered by the Presidency of Surat as a security, upon which either the safety of the Company's servants, or of their property at Surat or Swally, or indeed in any of the countries of the Mogul Empire, on the West of India, could, prospectively, be relied on; because the great age of Aurungzebe, the intrigues which were appearing among his sons, for the succession, and his relaxed efforts against the Hindoo or Mahratta Powers, were symptoms of approaching confusion and civil war. The Presidency therefore recommended, that as small a proportion of stock, as might be consistent with the continuation of the trade, should remain at Surat, or indeed in any of the Settlements or Factories in the Mogul's dominions, because it must be exposed to hazard from probable wars, and that the principal magazine, on the West of India, should be at Bombay, under the protection of the castle and its garrison.

The Company's Factory at Surat seized by the Governor, on

In former seasons, the Interlopers had only obstructed the Company's trade, at the ports of the Native Princes, by that imprudent conduct which might have been expected from speculators,

lators, looking for immediate gain, but neither under restraint in the Indies, nor regulations in England; and the consequences were, expensive investments of Indian produce, and depressed sales at home, by which means they lowered the Company's credit in the opinion of the Native Governors and Merchants.

CHAP. III.
1695-96.
a large interloping ship becoming pirate, and capturing vessels conveying pilgrims to Judda and Mocha.

A more positive evil occurred at this juncture:—the Interlopers, being disappointed in the sales of their cargoes, and in their purchases of Indian produce, determined not to return to Europe, without realizing gains to their employers, and to themselves, and, therefore, had made prizes of ships belonging to the Native Powers, and left the Company's servants exposed to suspicion and imprisonment, and their property to seizure and confiscation.

It was almost impossible for the Natives to distinguish between authorized and unlicensed traders, bearing the same flag;—hence a general obloquy was brought on the English character; an obloquy which the Dutch had, uniformly, heightened, whether they were in amity, or in enmity with England, in Europe, that they might ensure their own monopoly, and depress the trade of the London East-India Company. In this season, however, it appears, that out of one or other, or out of both of these sources of opposition, a decided and more destructive evil arose, which threatened to overset the Company's trade on the West of India. The extent of this evil, though severely felt by the Presidency of Surat, was not understood in England:—in the sequel, however, its nature and consequences will be fully developed.

CHAP. III. 1695-96. A large pirate ship, carrying forty-six guns, and one hundred and thirty men, made prizes of some of the most valuable ships belonging to the rich merchants of Surat, and of a ship belonging to the Mogul, employed in conveying pilgrims from Surat to Judda and Mocha;—the first information of this event alarmed the President and Council of Surat, who apprehended, an embargo would be laid on the Company's shipping, till the damages done could be compensated, or the country from which the pirate came, could be ascertained.

When intelligence was received, in September 1695, that this pirate had plundered a ship belonging to Abdul Gophor, one of the principal merchants of Surat, and that the ship carried English colours, the Governor, who had hitherto acted in a friendly manner, placed a guard on the Company's house, to prevent its being plundered, and their servants massacred, by the enraged inhabitants:—no distinction was made between the Company's servants and the Interlopers.

In this state of irritation, news arrived that the same pirate had attacked a ship belonging to the Mogul (the Gunswah), between Bombay and Daman, and plundered the vessel, and the pilgrims on board, of all their valuable effects. If the first injury to an individual merchant was resented, this, which was deemed a sacrilege, raised resentment to fury, and obliged the Governor to put the President, and all the English, in irons, to prevent their being torn to pieces by the inhabitants;—the same ferment extended to the factors at Broach, who were also confined:—

fined:—hence the investment was totally at a stand, and no trade permitted, either to natives or foreigners. CHAP. III. 1695-96.

On this occasion, the true republican spirit and commercial jealousy of the Dutch were fully manifested, for instead of endeavouring to allay the popular fury against their European ally, but rival, in the Indies, they stimulated the inhabitants to extirpate the English, and insidiously wrote letters to the Mogul, offering to clear the Indian Seas of the pirates, and to be responsible for the safety of the pilgrims proceeding to Judda, on condition that a Phirmaund should be granted to them, for an exclusive trade, free of customs, at Surat, and in the Mogul Dominions:—this offer, however, was refused, and affords a memorable example of malice defeating its own purposes, because to this offer of the Dutch may be traced (though the event was not accomplished till after the lapse of half a century) the first idea of the English being the conductors of the pilgrims to Judda, and acquiring the Tanka, or being Admirals of the Mogul, between Surat and the Red Sea.

English trade at Surat at a stand.

Returning, however, to the situation of the President and his Council, it appears, that a communication, by letter, was opened between them and the Governor of Surat, in which they represented the immense loss which the Company would sustain, by being prevented from making an investment, and sending their ships to Europe empty, as the merchants had directed their correspondents not to load any goods on English ships, and had asserted, that the English had robbed a King's ship; till the Presidency,

CHAP. III. 1695-96. Presidency, therefore, should be able to prove, that they were innocent of this crime, there remained no prospect for their deliverance, and they could not anticipate the consequences, till an order should arrive from the Mogul.

The number of the English confined at Surat, was fifty-three, and ten at Swally; meantime, the Governor desired the French, Dutch, and English, to send ships in search of the pirate, that, by his capture, the fact might be ascertained who really were guilty :—the French and Dutch fortunately hésitated to comply, and the readiness of the English to go on this service, first seemed to abate the animosity against them.

Sir John Gayer offers to be responsible for the safety of the pilgrims between Surat and Mocha.

Sir John Gayer, as General of the Company's affairs at Bombay, on receiving intelligence of these misfortunes at Surat, addressed a memorial to the Governor, stating that he was ready to declare, the East-India Company had no concern with the pirate, and complaining of the hardship experienced by their servants, and the losses to their trade, by throwing on them the odium which had originated in an unlicensed rover, not only unlicensed by the Company, but acting in direct violation of the laws of England, and who, if taken, would be liable to capital punishment.

Sir John Gayer next wrote to the Mogul, repeating the observation in his address to the Governor of Surat, that the Company were not only ignorant of the existence of such a pirate, but were ready to employ two of their ships, completely armed, to convey the pilgrims to Judda, if the Mogul would grant his Phirmaund, excluding all other English, but the Company,

pany, from the trade, and that two ships should annually perform this duty:—this remonstrance and application was all that seemed practicable, for obtaining the liberty of the Company's servants, and permission to continue the trade. Sir John Gayer was, besides, at this juncture, alarmed for the safety of Bombay itself, both because the harsh treatment of the passengers in the Mogul's ship had exasperated the inhabitants, as well as the Mogul, and because the Island was not in a situation to make a proper defence, the garrison being reduced to one hundred and ten Europeans, and even this small force sickly.

The Mogul orders the embargo on trade to be continued, till the pirates be captured.

The memorial to the Governor of Surat, and the application to the Mogul, if it did not remedy, at least averted the danger with which the Company's servants were threatened; for an answer came from the Mogul, "that the English, French, and "Dutch, should put to sea in search of the thieves, but the "embargo on all trade must continue, till the innocence or guilt "of the English Company should be proved."

A Vakeel sent with presents to the Mogul, to vindicate the Company, and to solicit a Phirmaund.

The Governor of Surat continued to manifest his friendship to the English, and to protect them. At this crisis, the President received information, that the offer of the Dutch to convoy the pilgrims to Judda and Mocha, on condition of being exempted from customs, had been refused:—on this occasion, a Vakeel was sent to Court, with authority to make rich presents to the King and his principal officers; to second an application for a Phirmaund, for freedom of trade at Surat and in Bengal; and to repeat the offer of the convoy, or become responsible for the safety of the pilgrims, on condition of being allowed,

CHAP. III.
1695-96.

allowed, for this service, the sum annually paid to the Siddee, (or four lacks of rupees), it having appeared, from the injury done by the pirate, that the Siddee's ships were not equal to the service.

Issa Cooly, the person employed at Court, as Vakeel, or Envoy, to solicit the release of the Company's servants, and the opening of their trade, found, that the prejudices against the English were more violent than appeared, even in the harsh measure of imprisoning the Company's servants, and stopping the trade of the port of Surat, and that the captures made of the ships in the two Gulfs, during the late war, was an additional source of hatred, which the present seizure of the Mogul's ship, by the pirate, had rekindled, and had produced an order to the Siddee to attack Bombay, and to the army to march against Fort St. George, and the Company's other Settlements, to seize on the whole of their property and effects :—Issa Cooly had, however, been able to prevent these orders from being carried into execution, though he could not stop the order, prohibiting all the European ships to carry flags, or the Europeans to wear arms, or to use palankeens.

The French and Dutch endeavour to get the embargo removed from their ships.

In this state of affairs at Surat, the French and Dutch, though enemies in Europe, linked together their interests, and remonstrated with the Governor, on the hardships they experienced from the embargo on trade :—in answer, the Governor informed them, that he must obey the King's orders; and that all trade must be at a stand, either till the pirate should be taken, or till payment should be made by the Europeans of the value

value of the King's ship, as the Mogul would rather renounce all the revenues he received from the trade of the Europeans, than endanger the safety of the pilgrims going to Mecca, to which he annually sent a donation of three lacks of rupees.

CHAP. III. 1695-96.

The Dutch, however, repeated their application to have the trade opened, stating their loss from the embargo, to amount to five lacks of rupees, and requested permission to leave the town, should the embargo continue; a request with which the Governor positively refused compliance.

Governor of Surat postpones executing the Mogul's order to remove the embargo, without further instructions.

While matters were in this critical situation, a report was spread, that another of Abdul Gophor's ships had been captured by a pirate, in the Persian Gulf. In this agitation of feelings, farther violence was expected, for the English flag was struck, and the whole of the Factory, with the exception of the President, two of the Council, and Captain Browne, confined in irons:—at last, however, through the intercession of the Governor, and the application of the Vakeel, an order arrived from the Duan, to release the English, and to take off the embargo on trade; but this order not being deemed sufficiently explicit, the Governor was afraid to act on it, and sent to Court for fresh instructions. In these unhappy circumstances, the Company's affairs at Surat, and on the West of India, remained at the close of this season

The large French and Dutch fleets in the Indian Seas obstruct the trade.

It may easily be supposed, under such restraints, and with the appearance, off Surat, of a French squadron of six ships, two of sixty, one of forty-six, one of forty, one of thirty, and one of twenty-eight guns, which landed some goods at that port, and

CHAP. III. 1695-96.

and had stated they were destined for Bengal, that not only the Company's ships were prevented from delivering their cargoes, but trade was at a stand, and a well-founded apprehension was felt for the safety of the homeward fleets;—to balance which evils, they could only look to their allies, the Dutch, who had, in the Indian Seas, thirty-six ships, divided into six squadrons, one of which was cruizing between Bombay and Surat, with the object of meeting the French, and opposing them in the Indian Seas, should they not succeed in capturing them.

Military establishment at Bombay, from the low state of the revenue, to be farther reduced.

The circumstances in which the Presidency and trade of Surat were placed could not but materially affect the Island of Bombay, for the garrison (which had only received eighteen recruits by the ships of the season) from the failure of the revenue, required to be farther reduced, by dismissing part of the auxiliary troops, of whom three hundred and forty Gentoos, and sixty Christians, at the out-guards were disbanded, and the Gentoos limited to seven subahdars, and four hundred men. These troops had been formed from a selection of those who had been faithful, during the late distressed situation of the Island:—the out-forts, also, were reduced to five; one at Mahim, one at Sion, one at Suree, one at Mazagon, and one at Worlee, and it was proposed to erect a battery on each side of the Malabar hills.

The Fort at Anjengo built.

The Dutch had made every effort to depress the English pepper trade at Carwar and Retorah; Sir John Gayer had, herefore, sent orders to erect a fortification at Anjengo, at which

CHAP. III. 1695-96.

which stone and brick could be easily found, though there would be difficulty in obtaining chunam or lime;—this fort was intended to cover a space of ninety yards square, on which sixty to seventy guns were to be mounted:—when completed, a large quantity of pepper was expected; but, in the interval, it was impossible, notwithstanding the contract, to prevent the other European nations from carrying off a part, which, in fact, the Danes had done in the course of this season.

Trade in the two Gulfs prevented by the Pirates.

Though the General had received an invitation from the Bashaw of Judda to settle a Factory at that port, it had, on account of the pirates in the Red Sea, been declined; but a contract had been entered into, for an investment at Mocha, of coffee, olibanum, and myrrh, agreeably to the Court's orders In the Persian Gulf, apprehensions were entertained of a war between the King of Persia and the Arabs at Muscat, in which it was probable the Dutch would assist the Persians, with the view of acquiring a monopoly of the Persian trade; but the General did not see the expediency of interfering, as the Arabs had not, hitherto, offered any obstruction to the English shipping or trade:—these circumstances rendered it impracticable to carry the Court's orders, for the sale of the small cruisers, into effect.(1)

 The

(1)—Letters from the General and Council at Bombay to the Court, 28th May, 5th June, 3d and 29th December 1695, 3d February, and 18th March 1695-96.—— Letters from the General at Bombay to the Presidency of Surat, 30th September, 29th October, 8th and 19th November 1695.—— Letter from Sir John Gayer to the Mogul, 16th November 1695.—— Letters from the President and Council of Surat to the Court, 29th April,

CHAP. III.
1695-96.

Failure of the project of selling English cloth in Persia, through the Armenian merchants.

The information from GOMBROON and ISPAHAN, during this season, furnishes another example of the uncertainty of commercial speculation, in a country where the administration of the government is shifting and arbitrary, and of the danger of entrusting the management of such speculations to any, but to the immediate servants of the merchants interested in their success.

When the Letters Patent were granted to the Company, in 1694, it will be recollected, that a condition was annexed, of exporting, to a large amount, the British staple of woollen-cloth, and it will, also, be recollected, that the Court had formed the opinion, not only that the greatest outlet would be found in the Persian market, but that it could be effected at less expence by the Armenian merchants, and in return, money, Caramania wool, and silk, obtained for it;—it was, also, conceived, that from this people finding their way, during the troubles in India, into the interior provinces, and bringing fine goods, in small quantities, that purchases from them would become a valuable resource for the Europe investment:—hence the Court embraced the opinion, that they were trust-worthy, and qualified to be their Agents, without reflecting that they were merchants, as well as themselves, who might have other mercantile

April, 13th May 1695, and 10th April 1695-96.—— Letters from the Presidency of Surat, to the General and Council of Bombay, 11th September, 12th, 25th, and 30th October, 12th and 30th November, and 22d December 1695.—— Letter from the President of Surat to the Mogul, January 1695-96.—— Letters from the Chief and Factors at Anjengo to the General at Bombay, 19th June 1695.

mercantile connexions, to prevent their executing the trust with probity or correctness;—and, the facts will verify these observations. CHAP. III. 1695-96.

When the large assortment of cloth arrived at Gombroon, and a proportion was forwarded to Ispahan, the Armenians, instead of receiving, with alacrity, so large a commission, and one for which they were to be so amply paid, or executing it with zeal, hesitated to take the charge upon them, till pushed by the Company's Agents at Ispahan and Gombroon, to bring the cloth to immediate sale, to prevent the article suffering in its qualities, by delay, and to afford the returns, either in Persian produce, or in money, anticipated by the Court, which had put such implicit confidence in their exertions.

In the course of this season (1695-96), it appeared, that these Armenians were dealers in the cloth which had come from the Turkey Company, by Aleppo, and thence carried to Ispahan, to be sold in the Persian markets:—the rival, thus, which the Court had supposed to be depressed by the capture of the Turkey fleet, was, in fact, supported by the very persons, who, they had flattered themselves, would assist in the sales of that article, the exports of which had been a condition in the grant from the King. The cloth, of course, remained unsold, and the Agents, both at Gombroon and Ispahan, were obliged to make such exertions as they individually could, at reduced prices, to dispose of an article, on which the Court had expected an advance.

Besides

CHAP. III.
1695-96.

Besides this embarrassment, the Dutch had obtained new privileges in Persia, or got permission to import goods into Ispahan, duty free, to the amount of twenty-thousand tomands per annum, while the English could only obtain a like permission, to the amount of five thousand tomands per annum:—the Agent at Gombroon, besides, had not been able to recover the Company's proportion of customs, at that port, for three years.

Encreasing naval power of the Arabs of Muscat.

The navigation of the Persian Gulf, at the close of this season, had become more difficult, from the growing power of the Muscat Arabs, still acting against the Persian trade; of whom Captain Brangwin, who succeeded Agent Gladman, (who died on the 14th November 1695), gave his opinion, "that they "would prove as great a plague in India, as the Algerines were "in Europe." (1)

No intelligence this season from Fort St. George, Bengal, or Bencoolen.

If the loss of the Company's fleet, in the preceding season, accounted for the want of information, regarding the state of their affairs at Fort St. George, Bengal, and Bencoolen, the like deficiency appears in this year, for no dispatches, from any of these Settlements, are preserved in the Company's correspondence; and what naturally must have augmented the difficulty of framing instructions for those

(1)—Letters from the Agents and Councils at Gombroon and Ispahan to the Court, and Correspondence with the Armenian Merchants, 30th April, 5th and 24th July, 6th, 9th, 13th, and 16th August, 14th and 30th September, 19th November, and 18th December 1695.

CHAP. III. 1695-96.

those seats of their trade, in the following season, was a tice which they got from Bombay, in March 1695-96, that the General had not received any intelligence from Madras, for twelve months.[1]

(1)—Letter from the General and Council at Bombay to the Court, 18th March 1695-96.

1696-97.

CHAP III.
1696-97.
The difficulty of raising supplies for the war against France facilitates the schemes of the Private Merchants and Interlopers against the Company.

On comparing the domestic and foreign Annals of the last, with the events in Europe, and in India, in this season, it will appear, that they were rather calculated to depress the energy and exertions of the Company, than to invigorate, or to encourage them. The Court continued to struggle against the encroachments making upon them, by the influence of the Private Traders, who were fitting out ships and encouraging the Interlopers, and combining to bring themselves into that public notice, which is calculated, on every occasion, to create and to heighten prejudices against institutions, the merits or services of which are rather generally examined than correctly understood:—the difficulties, also, under which the Government were placed, to find resources to support the war against France, formed a new ground, on which the pretensions of the Private Merchants were becoming more formidable to the East-India Company.

It will be recollected, that, in the preceding season, however promising appearances were, that an Act of Parliament might be obtained, upon which the Charters and grants of the London East-India Company might acquire a fixed character, corresponding with the form, on which the constitution of the kingdom had been settled, the general attention to the events of the

the war, and to the preservation of the liberties of Europe against the aggressions of France, had prevented the Company's interests from becoming a subject of public attention.

In this season (1696-97), notwithstanding the applications of the Company to Government, to have their Charter and rights founded on an Act of the Legislature, that desirable end had not been obtained; on the contrary, the plans for raising supplies for the year, which, at first sight, were unconnected with the East-India trade, were beginning to be assimilated with it, and apprehensions entertained by the Court, that, after all the efforts they had made, and notwithstanding the recent loss of their homeward fleet, that Act, which their services had almost given them a right to claim, would not pass.

As the Court's opinions on this subject will unfold, in the shortest manner, the origin of the rival East-India Company, which was projected (though this establishment did not take place during the subsequent season), the knowledge of the first aspects of this innovation will be of importance in checking similar speculations.

The consideration of the East-India trade suspended, by its interfering with the plan of raising supplies by a Land Bank.

The Court, in their letter to Bombay, of the 4th May 1696, informed Sir John Gayer, that they "were almost con-"fident that the Company would have been established this "session, by Act of Parliament;—the Court, Lords, and "Commons, seem to be as forward for such an establishment, "as ourselves, and the more, by reason of the Scotch Act of "Parliament for an East-India Company:—but towards the end "of

CHAP. III. 1696-97. "of the session, the Parliament resolving to raise £2,500,000, "towards the carrying on the present war, by a *Land Bank*, as "it is called, and was first meant by most that promised it; "but, upon deeper and further consideration, it was found, "that so much money could not be raised upon land, until it "was first advanced by the loans of particular men;—and the "next thoughts, as we conceive, and is very natural for any "man to think, that knows any thing of England and the City "of London, was, that if the East-India Company were now "settled by Act of Parliament, with addition of a great sum "of money, from the old and new Adventurers, this must needs "obstruct the raising of the *Land Bank* at this time, to the "disappointment of Government:—and this we take to be the "single cause of deferring the settlement of the East-India "trade, until next winter, when we have great reason to believe "it will be done effectually, the whole nation being, in effect, "satisfied, that Interloping is un-national, and indeed shameful, "in the judgment of all unbiassed men, of all nations, that "know any thing of India. This being the case, you and we "must suffer, one year longer, the molestation of such irre-"gular people as the Interlopers."

This opinion of the Court discovers, they were not aware, at the time, that this project of Government would be, in the sequel, laid hold of by the Private Adventurers in the India trade, who (unfettered by losses, like those the Company had lately experienced, or the excessive charges at their foreign Settlements) could enter into subscriptions, which would afford this

this aid to Government;—and that the necessity of the times would induce the public to accept of such aid, and leave the East-India Company to struggle with their former difficulties, and with this new one, of having a rival at home, established on the ground which they considered themselves to have merited, as the fair reward of having, for nearly a century, created and preserved the English interests in the East-Indies.

CHAP. III. 1696-97.

Equipment, stock, and orders for the season.

In this state of uncertainty, but in the hope of obtaining the Act they had so long solicited, the Company equipped eight ships for the season, with suitable stock for carrying on the trade; these ships, however, were prevented from sailing, till the 19th May 1696, on account of the rumour of an invasion by France, which not only had obliged Government to impress the crews, but prevented the appointment of the necessary convoy.

The orders of the Secret Committee to the Presidencies were;—that the homeward-bound ships should first proceed to the Cape of Good Hope, and there endeavour to form a junction with the Dutch fleet, and then direct their course to London, round the North of Scotland:—in the event of not being able to form a junction with the Dutch fleet, they were to proceed to Corunna, in Spain, and there await orders from England.

Memorial of the Court to the Lords Justices, on the depredations of the pirates in the Indian Seas.

When the Court were informed of the difficulties and dangers to which their Settlements and trade had been exposed, by the depredations of the pirates, they presented a memorial to the Lords Justices (the King being in Flanders) who offered a reward of £500, to which the Company added four thousand

 rupees,

CHAP. III. 1696-97. rupees, for the apprehension of Captain Avery, the principal pirate, and, on investigation, found, that his vessel (the Fanny) which plundered the Mogul's ship, was fitted out in the West-Indies, and mounted forty-six guns, with a crew of an hundred and thirty men, composed of fifty-two French, and the remainder of Danes, English, Scotch, and Irish;—this pirate, after enriching himself, and his crew, in the Indian Seas, had gone to the Island of Providence, in the Bahamas, where the ship was sold, and the crew dispersed;—two of the pirates had been seized in Ireland, and one at Rochester, and several more at the close of the season, of whom five had been executed; but, notwithstanding the most diligent search, Captain Avery had not yet been discovered.

Court approve of Sir John Gayer's offer to convey the pilgrims to Mocha and Judda;

The Court, on taking into consideration the situation of their affairs at SURAT and at BOMBAY, approved of the measures of Sir John Gayer, for the release of President Annesley and his Council, and of the offer to employ two of their ships to act as convoy to the Mogul vessels going to Mocha and Judda, on condition that a Phirmaund should be granted by the Mogul, for freedom of trade in his dominions, and the exclusion of all English subjects, except those employed in the Company's Service. The Court, therefore, ordered, that Bombay should be made the principal magazine of their treasure and stores, to prevent their servants being exposed, in future, to the Native Governors, imputing crimes and depredations to the Company, which, in fact, had been committed by pirates; but regretted, that the war in Europe had prevented them

them from sending the requisite supplies of recruits, for the defence of the Island.

CHAP. III. 1696-97.

—and of fortifying Anjengo.

Looking at the dependencies of Bombay, the Court disapproved of that part of Captain Brabourne's contract with the Queen of Attinga, which bound the Company to protect her boats :—at the same time, they wished Anjengo to be fortified, to defend the pepper trade, on the Coast, from the encroachments or insults of the Dutch ;—but could not, for want of sufficient information, give positive orders for fortifying Tellicherry, although they admitted the expediency of such stations, as would secure a proportion of this trade. (1)

Court continue their confidence in the Armenian merchants in Persia.

Whether the Court, at the time they framed instructions to their Agents at Gombroon and Ispahan, were informed of the conduct and proceedings of the Armenian Merchants, and the interest which they had, in promoting the sale of cloth from Aleppo, or whether they did not put confidence in their servants, who had sent information of the proceedings of the Armenians, cannot, at this distant period, be discovered; but it appears, that, in this season, they continued their favourable opinion of this people, for they ordered the Agents in Persia to depend on them for the sales of English cloth (orders originating in the obligations they were under to export so large a proportion of this staple), and desired that the Agent at Gombroon might proceed immediately to Ispahan, and dispose of it, at whatever price it might bring, still calculating

(1)—Letters from the Court to the General and Council at Bombay, 4th May, 1st and 17th July, 7th and 27th August 1696.

CHAP. III. 1696-97.

culating on the probability of underselling the Aleppo Merchants, and vesting the proceeds in money, and in silk:—these orders were repeated to Captain Brangwin, who had been appointed, on the death of Mr. Gladman, to be Chief Agent in Persia.(1)

The Sumatra trade to be encouraged, Pettipolee re-settled, and the trade between the Fort and China promoted.

Though the Court remained without any, but the most general intelligence, respecting their affairs at MADRAS, BENGAL, and BENCOOLEN, they issued orders to the President of Fort St. George, to afford every assistance and protection to the Factories on the Island of Sumatra, that a full supply of pepper might reach the Europe market; to offer encouragement for the cultivation of indigo; and, particularly, to improve that branch of the mint, employed in coining rupees, to be circulated in Bengal, and to re-settle the Factory at Pettipolee, but to limit the charges to £500 per annum; and to extend the fortifications at Vizagapatam.

In this branch of the instructions, it still appears, that measures were recommended for improving the trade between Fort St. George and China, for an order was given to make purchases at Limpo and Hockshew, in China, where goods could be obtained £30 per cent. cheaper than at Amoy.

The forming a Court of Judicature in Bengal to be postponed.

The orders to BENGAL are still more limited, directing only, that the revenues at Chutanuttee should be improved by degrees, but the establishment of a Court of Judicature, at this Settlement, was postponed, till the Company should obtain a Phirmaund

(1)—Letters from the Court to their Agents at Gombroon and Ispahan, 4th May and 6th August 1696.

maund from the Mogul, for trade in Bengal, and an Act of the Legislature, enabling them to adopt this plan with more effect.

CHAP. III. 1696-97.

Instructions for the Agents at Bencoolen

The orders to BENCOOLEN are confined to two points:—always to have two hundred tons of pepper ready in the godowns, for the first of the Company's ships that might touch at York Fort; and to encourage the Chinese, by every possible means, to trade at this Settlement, their industry promising to promote the cultivation of pepper.(1)

Political weakness of the Mogul Empire, at this period, and probability of a civil war.

The events which occurred in the different Settlements of the Company, during this season (1696-97), would afford an imperfect knowledge of the actual state of their foreign affairs, unless the sources of these events were laid open.

The Presidencies and Factories of the Company appear to have suffered from the existing circumstances, in the Mogul government, in consequence of the great age of the Emperor; from the difficulties under which his officers could discharge their duties; from the shifting aspects of the factions, both at Court and in the remote provinces, in which the Company traded; and from the interloping

(1)—Letters from the Court to the President and Council of Fort St. George, 20th May, 1st July, and 8th December 1696.—— Letters from the Court to the Agent and Council at Bengal, 14th May and 1st July 1696.—— Letter from the Court to the Agent and Council at York Fort, 8th December 1696.

CHAP. III. 1696-97. interloping system having, in many instances, terminated in positive piracy.

The relaxed character of the Government, from the great age of Aurungzebe, was one of those periodical evils, inherent in the constitution of the Mogul empire; and reference to it is only necessary, to illustrate the sketches of its history, with which it was found necessary to introduce the successive periods of the Annals of the East-India Company;—for it was found, that, towards the close of Akbar's reign, from there not being, in the constitution, any fixed principle of succession to the throne, his sons, by intrigues and by force, each formed plans for seizing on the diadem; in the same manner, Aurungzebe, himself, had to oppose his brothers, that he might secure the sovereignty; but, at the period we are reviewing, he was about to experience those evils from his sons, which he had inflicted on his brothers, and on the empire.

Sir John Gayer and President Annesley, at this juncture, were apprehensive that civil wars were approaching:—they described the Emperor to be jealous of each of his sons, and the sons to be forming parties against their father's government; and each engaging forces to support his pretensions to the succession; while the Mogul armies were in a state of indiscipline, of which the Ram-Rajah, or head of the Hindoos, had profited, by engaging many deserters from the Mogul's, into his own army:—this chief was, therefore, becoming formidable, by the services of those troops, which, during the long reign of Aurungzebe, had borne down the Hindoo Power, and subverted the

CHAP. III.
1696-97.

the kingdoms of Visiapore and Golcondah. In Bengal, the Rajah, Subah Sing, was in open rebellion, and had plundered Chutanuttee, and the Dutch Factory at Hughly, and made himself master of Muxadavad, though, hitherto, he had not molested the English :—Sultan Akbar, who had retired to Persia, had levied an army of twelve thousand men, and being joined by the Governor of Candahar, had taken Ghazni, and, with these auxiliaries, was approaching the Peninsula :—the Mahrattas, also, who had retained Gingee, had brought a large army into the field, and had plundered Golcondah :—events which discover the relaxed state of the Mogul power, though, at this time not anticipated as symptoms of the decline, or fall of that Empire.

The English at Surat released, and the Company's property restored, but the embargo continued.

If these greater events in the Mogul history, evince the actual state of the Empire, in which the Company had the principal seats of their trade, the transactions of their Agents with the Native Governors discover the difficulty with which they could discharge their duty to their Sovereign, or uphold his authority at their respective stations. At the close of the preceding season, though an order had come from Court to release the English, and to open the port for trade, and though Ettimand Khan, the Governor of Surat, had, on so many occasions, proved his friendly dispositions to the English, still he was afraid to act, knowing the prevalence of factions at Court, and had returned the order, with a request for fresh instructions, lest his indulgence to the English might be interpreted, through the intrigues of the French and Dutch, into a crime. At the commencement of this season, the final

 orders

CHAP. III. 1696-97.

orders for opening the port had not arrived; and, in the opinion of Sir John Gayer, this order could not be expected, or the embargo taken off, unless the three European nations would join, and make a large present to the Duan; which proves the shackled situation in which this Governor was placed, and that he had not influence with the Duan to obtain fresh instructions to open the port. Sir John Gayer, however, thought, that it would be imprudent in the English to make this present to the Duan, as the French and Dutch would immediately insinuate at Court, that the bribe had been given, from a consciousness they were guilty of the piracies alledged against them:—hence President Annesley, and the Council, remained under confinement, till the 27th June 1696, when an order arrived to release the English, and to restore the Company's property, both at Surat, and at the subordinate English Factories; but still the trade remained under restraint.

The interloping system, terminating in piracy, depresses the Company's trade.

The chief source of this oppression on the Company will be found in the interloping system terminating, in many instances, in positive piracy;—and the conduct of the pirates, in this season, furnishes only a continuation of the depredations which had occasioned the imprisonment of the Company's servants, and the seizure of their property; and satisfied the Presidencies and Factories, that till the interloping system could be completely done away, neither the English trade, nor that of their European friends or enemies, could proceed; though, from the Interlopers, or pirates, sailing under English colours, and their commanders and crews being composed of either English subjects,

jects, or English colonists from the West-Indies or America, the whole odium must rest on the East-India Company. CHAP. III. 1696-97

In this state of affairs, Sir John Gayer, without any other support than the insular situation of Bombay, and with a garrison so reduced, that, out of the three companies, he could not muster four file of men, as a guard of honour to the Dutch Commissary proceeding to Surat, refused to grant passes to the Mogul ships, unless matters should be accommodated at Surat, and the Company's servants released. This expedient failed; for the pirates paid no regard to the Company's passes, two country ships, with these passes, having been plundered in the Red Sea.

The Governor of Surat restrains the trade of the French, Dutch, and English.

The situation of the Company's trade and Factories may be discovered, from the conduct of the Governor of Surat, not only to them, but to the other European nations, to whom he was not equally partial. In the month of June 1696, an indecisive engagement took place, between seven Dutch, and five French ships, off Vingorla Rocks:—the Dutch retired to Goa, the French to Surat, at which they pressed the Governor to allow them to load goods for Europe, which he positively refused; nor was he more favorable to the Dutch, as he would not allow their Commissary to enter Surat with the usual honors, and obliged their ships to leave the port without cargoes:—hence they estimated their loss, this season, in consequence of this stop of trade, at one million of rupees. The like restraint was imposed on the English, for though they had disposed of six hundred and eighty-three bales of broad-cloth

 to

CHAP. III. 1696-97.

to Auga-Pere, a Surat merchant, for 258,000 rupees, they were not permitted to apply this money to the purchase of an investment, and, from their imprisonment, were unable to procure indigo, as recommended by the Court, their stores of this article at Broach, Brodera, and Cambaya, having been seized.

An embargo laid on the ships of all European nations, at Surat, on the appearance of several pirates in the Gulf of Arabia, and on the Malabar Coast.

Such was the situation of the Company's affairs in the month of September, when intelligence arrived of the appearance of five pirates in the Red Sea, under English colours:—the President, naturally alarmed, concluded that the Company's servants would be imprisoned; the Governor, however, only placed guards on them, but would not permit them to leave the town, and ordered a general embargo on the ships of all the European Nations.

The President, on this event, again had recourse to the expedient, in connexion with the Dutch, of offering, each, to send two ships, to convoy the Mocha fleet, at half freight; but the King would only allow fifteen thousand rupees for convoying a large ship, and ten thousand for a small one; and the Governor was unwilling to write to Court, recommending an exclusive Phirmaund for the Company, till the Mocha ships should return in safety to Surat;—and, with these terms, the President was obliged to comply, at a time when he had goods, to the amount of five lacks of rupees, which could not be shipped, and when, by the aspersions of the Interlopers, (who represented the Company as not protected at home, and connected with the pirates,) their creditors became pressing for the discharge of those very sums, which had been employed in

purchasing

CHAP. III. 1696-97.

purchasing the goods:—every day was, thus, adding to the Company's distresses; for intelligence arrived, that two more pirates, each mounting fourteen guns, and with crews of one hundred and fifty Englishmen, were plundering the country ships, both in the Persian and Arabian Gulfs, and that a third was cruizing off Tellicherry: circumstances which exposed to danger, not only the Company's Factory at Surat, but their Out-factories and servants on the Malabar Coast.

The crews of two of the Company's ships mutiny, murder their officers, and turn pirates.

As if the obstructions from the Interlopers, and the losses of the trade, with the imprisonment of their servants at Surat, had not been sufficient, a new evil occurred, naturally arising out of the preceding calamities, or the disaffection of the crews of their ships, and the soldiery composing their small garrisons. These misfortunes originated in the limited powers which the Company possessed, by their Charter, to enforce the observance of their exclusive privileges:—this the seamen and soldiers could not but observe, in the hesitation of their immediate superiors to punish offences, and could not be ignorant of the large divisions of plunder which the pirates were receiving; insubordination, therefore, prevailed, both in the crews of the ships, and a disposition among the soldiers to desert, and get on board the pirates, where they expected not only immediate gains, but the probability of escaping from the service. It was at this crisis, that the Mocha Frigate, one of the Company's regular ships, consigned, in the preceding year, to China, and the Josiah Ketch, were seized on, near Acheen, by their crews, the officers murdered, and the ships turned into

pirates.

CHAP. III. 1696-97. pirates. Sir John Gayer attributed this mutiny, and the crime which followed it, to the insidious practices of the Interlopers, who had corrupted the Company's servants, and, therefore, was afraid to trust the crews of the two Company's ships, intended as convoys for Mocha, as they already appeared to be disorderly, and might follow the example of the pirates. Such was the extent of this contagion, and so low was the state of the garrison, that even a boat could not be manned at Bombay, for fear the crew might desert; and the Governor had not a soldier, whom he could promote to such subordinate ranks as those of a serjeant or corporal.

The country ships taken by the pirates.

As the season advanced, the pirates increased in number, information having been received, that three ships of this description, fitted out at New York, had made their appearance on the Coast of Scindy, and made captures, estimated at four lacks of rupees:—and this was only part of the damage done to the country trade, during this season, which was estimated at fifty lacks of rupees.

Sir John Gayer again offers to convoy the pilgrims to Mocha.

The General at Bombay, and the President at Surat, under these distressing events, again offered two ships, to be annually employed in the service of convoying the pilgrims to Mocha, on condition that the King would defray the charges, and give a Phirmaund for exclusive trade to the Company:—this offer had the effect of exculpating the Company from the charge of being parties in the piracies, and conciliated Ettimand Khan, the Governor, without obliging the President to make the proposed presents at Court. These good offices, however,

ever, were of short duration, for accounts reached Bombay, in March 1696-97, of the death of Ettimand Khan, an event which again threw the Company's property into hazard, from the uncertainty respecting the character or disposition of his successor.

Reduced situation, at this crisis, of the garrison at Bombay.

If such was the situation of the Company's trade at Surat, affairs at Bombay was little calculated to restore subordination, or to enable the Governor to act with vigour; for a doubt had arisen, whether, under their Charter, the Company could exercise martial law, except during actual hostilities; and, on the presumption that they could, there was not, among their servants, a person properly qualified to act as judge:—the garrison of Bombay, besides, was reduced very low, as there were not more than twenty-seven European soldiers on the island, and no military stores had arrived this season. These difficulties, however, did not prevent Sir John Gayer from making every exertion to insure a pepper investment:—having obtained materials for fortifying Anjengo, he expressed a hope, that five hundred tons of pepper would be ready for the ships of the following season, at this place, Tellicherry, and Carwar.(1)

King of Persia asks the assistance of the English against the

The transactions between the Persian Court, and the Company's Agents at Gombroon and Ispahan, who were continuing their applications to obtain a Phirmaund from the new King, were

(1)—Letters from the General and Council at Bombay to the Court, 1st and 10 June, 22d July, and 15th October 1696, 15th January, 19th February, and 4th March 1696-97. —— Letters from the President and Council at Surat to the Court, 13th June, 4th August, 3d September, 20th November, 5th and 15th December 1696, 15th January, 6th February, and 19th March 1696-97.

CHAP. III. 1696-97. Arabs, and, in return, offers to give Phirmaunds for trade.

were affected by the continuance of the war between the Muscat Arabs, and the Persians. The Arab fleets had not offered any interruption to the English trade, because no positive assistance had been afforded, by the Company's servants, to the Persians, but discovered, by their conduct towards the Portuguese, that they would hold any aid given by Europeans, to the Persians, as an act of hostility against themselves:—as soon as they found that the Portuguese had offered assistance to the Persians, they divided the Muscat fleet into two squadrons; one run along the Coast of Africa, and burned the Portuguese Settlement at Mombaza, opposite the Madagascar Coast; and the other, stretching across the Indian Seas, burned the Portuguese Factory at Mangalore.

It was under such circumstances, that the Agent at Ispahan received an offer from the King of Persia, that if the Company would send a fleet and men against Muscat, to assist him in subduing it, he would grant them the same privileges, at that port, which they enjoyed at Gombroon. An evasive answer, only, could be given, from the Company's shipping and troops not being in a situation to afford the assistance required: —the probability, however, that it might be given, accounts equally for the slow payments of the customs which were due, and for the facilities experienced in the application for Phirmaunds; because the King of Persia, balancing the probable advantages and disadvantages, hoped he might induce the Company to become a party in his projected war against the Arabs:—hence, at the opening of the season, the Persian market

market was more practicable, than at the close of the preceding year, and Mr. Brangwin expected to remit the value of ten thousand tomands, in sequins, to Bombay.

CHAP. III. 1696-97.

Agent Owen obtains a Phirmaund for arrears of customs.

The death of Agent Brangwin, in September (who was succeeded by Mr. Owen,) did not suspend the exertions of the Agency, to promote the sale of the Company's cloth, as two additional Factors were sent to Mushat and Tauris, with a considerable quantity, to be sold at prices, lower than those which the Armenians charged for the cloths from Aleppo. In this situation of trade, the Agent and Council made a proposal to the Ettiman-Doulut, accompanied with a present of a large sum of money, to employ his influence with the new King, to obtain an exemption form the payment of the duty called "*Sudeak,*" and to have the thousand tomands of customs at Gombroon paid annually:—this application was received in so favorable a manner, that the minister had ordered the Phirmaunds to be laid before him, for his examination:—the necessity of obtaining them was the greater, as without this authority, the Company were in danger of losing their right to the customs at Gombroon, the Agent, therefore, continued his solicitations, and presented a petition to the King, to this effect, on the 3d February 1696-97. Though the Phirmaund was drawn up, and ready for signature, delays took place, and a second petition, recommended by the Ettiman-Doulut, was presented, on the 2d March, which brought a promise from the King, that it would be granted; and, in the mean time, an agreement was signed to pay the four years' customs due to the Company at

 Gombroon,

CHAP. III. 1696-97.

Gombroon, if the Agent would renounce the claim to a fifth year, which had been a subject of dispute. The occurrence of a religious festival in Persia, at this period of the year (or March), prevented the Phirmaund from being finally settled at the close of this season.

Though the Agent described the sales of cloth to proceed slowly, from the market being glutted by the large quantities, introduced by Aleppo, meeting the Company's imports, the sales at Ispahan and Gombroon produced thirty thousand sequins, and it was expected that forty thousand more would be sent to Bombay, in the course of the year. (1)

Trade at Fort St. George at a stand, from losses by the pirates, and from the wars in the Carnatic.

If, in the preceding season, the Court did not receive any information respecting the state of their affairs at Fort St. George, Bengal, and Bencoolen, the information from the first, this season, is limited, and from the two last, indirect, no reports appearing, from either of those stations, in the correspondence of this year.

The same uncertainty prevailed on the Malabar Coast; and the continuance of the war between the Mogul and the Hindoos, on the Coromandel Coast, accounts for irregularity in the correspondence; for events were so shifting, that the effects of them on the Settlements, or on the trade, scarcely left it in the power of the Company's servants to give an opinion on the actual state of their affairs, and this, too, when

(1)—Letters from the Agents and Councils at Gombroon and Ispahan to the Court, 17th June, 10th July, 1st and 11th October, 15th November, 9th December 1696, 15th and 16th January, 15th and 20th February, and 20th March 1696-97.

when commerce was embarrassed, in the highest degree, by frequent piracies. CHAP. III. 1696-97.

The event (to which reference has been made) of Sultan Akbar having invaded India, supported by Persian auxiliaries, had occasioned a division of the Mogul forces:—the Nabob, Zulfaker Khan, led one army, into the Mysore country, to repel the incursions of the Mahrattas, while the King's Duan and Buxshi were overawing the Carnatic, with another detachment, and had advanced to St. Thomé, the fortifications of which they had demolished:—in this situation, neither the Armenians, nor the country merchants, could be prevailed on to purchase fine goods for the investment, even at an advance of fifteen or twenty per cent.; the Presidency, therefore, were of opinion, that, from every appearance, a general commotion, throughout the whole Mogul Empire, was approaching, and that till peace should take place between the Native Powers, the sale of Europe goods could bear no proportion to the quantity imported. The Factories at Vizagapatam and Fort St. David had, however, continued safe; but cottons, the principal part of the investment, had become dear and scarce. The revenues at Madras had been affected by the loss of several ships by storms, and by the still greater losses by the pirates, while the security of all the stations was weakened, by the temptations held out to the seamen and soldiers to desert to those robbers, who either must be crushed, or the Company's trade ruined. A stock of provisions had been laid in, for the garrison of Fort St. George, and the pay of the Topasses advanced to three dollars, each man, per

 month,

CHAP. III. 1696-97. month, to encourage them to defend the place, against any attack from the French or Moors.

Trade in Bengal impeded, by the revolt of the Rajah, Subah Sing.

In BENGAL, the appearances of civil wars for the succession had disturbed the provinces on the Ganges, and the relaxed state of the Mogul Government was daily becoming greater. A Rajah, Subah Sing, had made himself master of Rajahmahl, and although the Mogul Governor had not been able to crush this rebellion, the trade of the English was permitted to proceed:—the Factories of the European Nations were divided, as to the part they ought to act:—the French and Dutch declared against the Rajah, but the English did not intermeddle with either party:—the control which the President at Fort St. George had over the Agency in Bengal, induced him to report, that it would be for the Company's interest, if they, also, declared in favor of the Mogul, the probability being, that when the rebellion should be suppressed, the works which the English Agents at Chutanuttee had erected, for their own defence, might be permitted to remain, and would form a temporary security:—that, however, it would be rash to attempt fortifications on a large scale, lest their appearance might excite jealousy in the Government. This convulsed state of the country accounts for the impracticability of finding a market for the large imports of English cloth, even if sold under prime cost.

Improving state of the Settlement at Bencoolen.

The reports, in this season, from BENCOOLEN, were favorable; for the Madras Government stated, that since the ground had been cleared round York Fort, the place had become more healthy, the pepper plantations had encreased, the Native Chiefs

Chiefs had become more reconciled to the English establishment, and the Topass soldiers preferred remaining in Sumatra, to returning to Madras; which preference induced the President of Fort St. George to send thirty additional soldiers, of this description, to strengthen the garrison. (1)

CHAP. III. 1696-97.

(1)—Letters from the President and Council of Fort St. George to the Court, 30th September 1696, and 9th January 1696-97.

1697-98.

CHAP. III.

1697-98.

Application to the King, for authority to extirpate the pirates, and to bring them to trial in India.

At the commencement of the season 1697-98, the war in Europe occupied the whole attention of Government, and towards the close of it, the prospects of a treaty of peace with France, by fixing attention on greater objects, prevented Parliament from taking into consideration, either the applications of the London East-India Company, or of their opponents; the measures of the Court, therefore, for obtaining a confirmation of their rights, and their instructions to Sir John Gayer at Bombay, were accommodated to the shifting appearances of public affairs, and consisted more of expedients, than of decisive orders.

The Court recommended, in general terms, to Sir John Gayer and his Council, to conduct the Company's interests, and apply the stock in such a manner, as to counteract the Interlopers, whose ships it was pretended had proceeded to the East-Indies, for the purpose of trade, only. To enable the President to act, they informed him of their applications to the King, (particularly after the conclusion of the Treaty of Ryswick), to use his authority, and to send a force to the East-Indies, sufficient to destroy the pirates, whose depredations and crimes had brought disgrace on the kingdom, and positive sufferings on the servants of the Company, abroad, and, in fact, were endangering the continuance of the East-India trade.

When

When intelligence reached England, that the pirates had established a fortified Settlement at St. Mary's, on the Island of Madagascar, the Court again resolved to solicit a force to dislodge them, and orders were given, by the King, to the Governor of New York (from which port their equipments were said to have proceeded), not only to prevent the like irregularities, but to seize on their persons, and bring them to punishment:—measures, also, were taken, to seize such of them as might, return to England, a reward of £50 being offered for the apprehension of each pirate, and £100 for Captain Avery; and an address was presented to the King, to grant a new commission to the Company's Governments abroad, to try, and bring to punishment, the pirates who might be seized, or found in India.

CHAP. III. 1697-98.

Equipments and stock for the season, and instructions to Sir John Gayer, to form, with the Dutch, a squadron, to convoy the pilgrims, and protect trade.

At the beginning of the season, two ships, only, were taken up for Bombay, one of which was to proceed to Mocha for coffee, olibanum, and myrrh; but, after the conclusion of the Treaty of Ryswick (20th September 1697), the Court resolved to increase their equipments to ten ships, with a stock estimated at £100,000 in bullion, and £50,000 in goods.

The instructions for the separate administration of Bombay and Surat, open with the Court's approbation of the plan of sending two ships yearly, as convoy to the Mocha and Judda fleets, and, on receiving intelligence of the number of pirates, which infested those seas, directed that a third ship should be employed on this service, provided the Dutch would furnish an equal number. While the war continued, the Court were apprehensive that, besides the pirates, their trade and Settlements would

CHAP. III. 1697-98.

would be distressed by the French, information having been received, that the Defence, Resolution, and Success, (late Company's ships, which had been captured in the preceding season,) were fitting out at L'Orient, as men of war, intended for the Indian Seas:—nor was the Company's misfortune, at this time, confined to losses abroad; for the Dorothy and Bedford, outward-bound Indiamen, had fallen into the hands of the enemy, with a stock of £58,400, and having on board a captain and eighty soldiers for Bombay:—to supply this loss, however, a company of infantry, under the command of a lieutenant, was embarked at the close of this season.

Mr. Thomas Pitt appointed Governor of Fort St. George, and to act for twelve months independently of Sir John Gayer.

Sir John Gayer's powers, as General, had, hitherto, extended over the whole of the Company's Settlements, but, after the Treaty of Ryswick, the Court, impressed with the necessity of a more immediate control over their servants at Fort St. George and its dependencies, appointed Mr. Thomas Pitt to be Governor of Fort St. George, with powers to suspend any of the Council there, whom he might find irregular in the discharge of their duty:—the authority to Mr Pitt was to continue for twelve months, and he was to act independently of the orders of Sir John Gayer:—this measure was evidently intended to put an end to the dissentions among the servants at that Presidency, which had, for a considerable time, embarrassed the Company's affairs.

Instructions for soliciting Phirmaunds, in the event

If the Company were uncertain, respecting their rights at home, they were equally so, at their different Settlements in India,

India, from the great age of Aurungzebe rendering a civil war for the succession almost certain. CHAP. III. 1697-98.

President Higginson and his Council had taken a general view of "the interest and behaviour of the Mogul's children "and chief officers, and the great appearances of an intestine "war breaking out in the Mogul Empire," and desired to have the opinion of the Court, on the following subjects:—whether the trade in the Mogul's country would be best carried on under one great Phirmaund, which would comprehend all their Settlements, or under three separate Phirmaunds?—the Court answered, that the Company would be contented with the present Phirmaunds, with such additional privileges as could be procured, and that it would be better to have their three principal Residencies, Surat, Madras, and Chutanuttee, continue each under a distinct grant, (as the piracies, in the East-Indies, chiefly operated against their affairs at Surat,) and more wise to await the event of Aurungzebe's death, till it should appear, which of the pretenders to the throne would succeed. The President next desired the Court's opinion, whether the Chiefs of their Settlements should act singly, on any emergency, or whether all three should receive directions from one head?—the Court answered, that each Settlement should communicate its designs to the others, but go on with their own particular solicitations for grants; because, if the Mogul Empire should be divided into several Sovereignties, the applications of each Settlement might have effect; but if the Empire should

of Aurungzebe's death

CHAP. III. 1697-98.

be acquired by one, the Company's Vakeels must consult together, and act in concert, and in any Phirmaunds they might obtain, it would be more advantageous to have the rights to the several stations expressly mentioned, or described in general words, than to specify a right to have fortifications at any of them. The President concluded with asking, whether neutrality should be maintained till the scale turned, and apparently not to assist any party?—the answer of the Court was, to keep fair with all parties, and not to assist any, without absolute necessity; and, at all events, not to engage further than they could retreat, if questioned for it.

Court fix the value of money coined at their Settlements.

Under this general system, as the Mogul had been offended at the Company's coins having Persian characters on them, the Court desired that, for a time, this might be discontinued; but settled the value of money coined at Surat and Bombay, as follows:—the rupee, at two shillings and sixpence at Bombay and Surat; the xeraphin, at twenty-pence at Bombay; the Persian shahee, at four shillings at Carwar; and the pagoda, at nine shillings at Calicut.

The Court had sent out a large supply of garrison stores for Bombay, which would prevent expenditure on that head, but they recommended that the fortifications at Anjengo should be narrowed, and the same number of men, only, kept at this station as at Carwar, because the Queen of Attinga, notwithstanding her contract with the English, had agreed to furnish the Danes with pepper, and because the Company had

CHAP. III.
1697-98.

had received only a small proportion of pepper in return for their great dead stock at that station. (1)

New Phirmaunds to be solicited in Persia, and Ispahan made the Residence of the Agent.

Though the applications for a Phirmaund in PERSIA, in the preceding year, had encouraged the Court to expect that it might be obtained, it does not appear, from their instructions to their servants in that kingdom, during this season, that they had been ultimately successful, for they desired that translations of all Phirmaunds granted by the Kings of Persia to the Company, might be made, and transmitted home; but if a Phirmaund could be procured, they recommended that an article should be inserted, permitting the English to barter cloth for silk; but this point was not to be strongly insisted on, as silk could be purchased in Bengal, at half the price of Persian silk.

The Court, being under an obligation to export a large quantity of cloth, approved of the endeavours to dispose of it at Tauris, Mushat, and other inland towns, and resolved to make Ispahan their chief Settlement in Persia, and that Gombroon should be subordinate to it:—but, at the same time, to avoid risks in the transit of goods, as large a proportion as could be disposed of, was to be sent to Ispahan, to Gombroon, and to Shiras, the great object being to undersell the cloth brought from Aleppo;—the prices, therefore, were to be

(1)—Letters from the Court to the General and Council at Bombay, 16th April, 1st September, and 1st October 1697, 5th February and 10th March 1697-98.—— Letters from the Court to the President and Council of Surat, 23d April 1697, and 10th March 1697-98.

CHAP. III. 1697-98.

be lower than those taken by the Turkey Company, and the proceeds vested in silk hairs (specimens of which, as imported by the Turkey Company, were sent), and Caramania wool and money was to be remitted to Bombay, for the investment at that station.(1)

Particular instructions to Governor Pitt, on the revenues of Madras, on the Courts of Judicature, and for suppressing the Interlopers.

The state of affairs at FORT ST. GEORGE, and at its dependencies, during the preceding seasons, and the dissentions between the President and Council, having rendered the correspondence irregular and imperfect, the Court suspended, (in so far as regarded this Settlement) the general control of Sir John Gayer, and appointed Mr. Thomas Pitt to be "President of the "Company's Settlements on the Coast of Coromandel, Orixa, in "the Gingee and Mahratta countries, and on the Coast of Sumatra, and also to be Commander in Chief at Fort St. George "and at Fort St. David." In discharging this duty, Mr. Pitt was to be assisted with a Council, to consist of nine members, and was vested with powers, similar to those given on former occasions, when the dissentions of the Company's servants on the Coast had obstructed the trade, and endangered the settlements:—the frequent disappointments, however, which had been experienced in granting similar powers, induced the Court to limit the duration of this authority, to twelve months. Mr. Pitt, during this period, was empowered to suspend from their office, such of the Members of Council as he should find to have promoted dissentions, always having a Council consisting of five

(1)—Letters from the Court to the Agents and Council at Gombroon and Ispahan, 23d April, 1st September, and 1st October 1697, and 10th March, 1697-98.

five efficient members; but the regular Council, at the Fort, in future, was to consist of the President and six Members, and vacancies to be supplied from their subordinate servants, who were to rise to a seat in Council by seniority:—should supernumeraries remain, they were to be sent to supply such vacancies as might occur in the Agency at Bengal. CHAP. III. 1697-98.

The instructions to President Pitt were, to establish and confirm three Settlements, only, on the Coromandel Coast, or Madras, Fort St. David, and Vizagapatam; to continue, according to his discretion, or to withdraw, the Factory of Pettipolee; and to employ Natives in purchasing cloths, rather than have recourse to subordinate Factories: —no Factory was to be established at Ganjam, and the Factory at Tonquin positively withdrawn; and an estimate formed of the expences of all the stations under his administration, and a similar estimate to be annually transmitted to England.

By a separate instruction, President Pitt was to devise a plan for increasing the revenue of Fort St. George, by equalizing the taxes, which it was expected might yield more than the present amount, of forty thousand pagodas per annum, and to form a similar plan for Fort St. David, that the revenues might balance the charges:—in both cases, he was carefully to conceal the amount of the revenues from the Natives, to prevent the Princes, of whom the settlements were held, from making exactions:—As one source of corruption had been traced to the Members of Council having been farmers

of

CHAP. III. 1697-98.

of the revenue, their holding such farm, or dealing in rice or provisions, was positively prohibited. The licences to the Company's Servants to trade in any of the goods which formed a part of the investment, was to be restrained, because they selected the best articles for their private trade, and sent the worst to the Company; and, to take away every apology for this infidelity, the salaries of their servants were, in future, to be paid at the rate of nine shillings per pagoda.

President Pitt's attention was farther to be directed to the administration of justice, by re-hearing the cases on which complaints had been made, and to frame a table of fees, to prevent extortions from the inhabitants appealing to the law courts:—He also was to grant encouragement to workmen in the finer articles, to settle at the Fort, and at Fort St. David, as the Armenians had refused to collect fine goods, even at fifteen per cent. profit:—English cloths, in future, were not to be disposed of by private bargain, but by public sale; and, the better to establish credit, great care was to be taken to keep up the coins to their full weight and fineness. With these expedients, it was hoped the safety and prosperity of the stations might be advanced, by always having a quantity of paddy and rice in store, to supply both the city and the garrison, in the event of scarcity, or a siege.

President Pitt was, in a particular manner, to use every means to depress the Interlopers, and to discover whether they were connected with the pirates:—if any of the Company's servants should encourage or assist them, they were to be dismissed the service;

or

or if any of the free merchants should be guilty of this crime, they were to be expelled from the Company's Settlements. As all the expedients hitherto devised for suppressing the pirates had proved insufficient, the most strict discipline was ordered to be observed in the Company's ships, to prevent the crews rising on the officers; a measure the more urgent, as intelligence had been received, that the officers of the Hannibal, of thirty guns, belonging to the African Company, had been murdered by the crew on the Coast of Africa, and that this ship had proceeded, as a pirate, to the Indian Seas; notice was, therefore, to be published, that a fleet of men of war was to be sent to the East-Indies, for the express purpose of acting against them.

Equipments and stock for the season.

Such were the instructions under which President Pitt was to enter on his government;—two ships, with eighty chests of treasure, were consigned to Fort St. George and its dependencies, and two, with a hundred and ten chests, for the Bengal trade.

Fort St. David was to be strengthened by a redoubt to command the bar to Cuddalore, and a distinct mark was to be made on the pagodas coined at this station, to distinguish them from those coined at the Fort. (1)

Factory at Chutanuttee to be fortified, and the expences paid by the inhabitants.

The Agents at BENGAL were only to observe a temporizing conduct with the Rajah, who had revolted against the Mogul Government, and to fortify the Factory at Chutanuttee,

(1)—Commission and Instructions to President Pitt, 26th January 1697-98.——Letters from the Court to the President and Council of Fort St. George, 16th April and 14th May 1697, 26th January and 9th February 1697-98.

CHAP. III. 1697-98. nuttee, without appearing to give it a regular form:—the circumstance which led to this instruction, was the intelligence that the Dutch and French had fortified their Factories at Hughly, to resist the rebel Rajah. The Agent, in a similar manner, was to take advantage of the interruption of the regular government, and add to the works which had been constructed for the defence of the Factory at Chutanuttee, particularly the bastion intended to secure the Company's stores, which was to be made strong and regular, and sufficient to protect their servants and property; but, to temporize with both parties, except in cases of absolute necessity.

From the place having become healthy, the number of its inhabitants had encreased, and to give it importance, an offer was to be made to rent a district, extending from three to four miles round the Factory, at eight hundred, or even a thousand rupees per annum, and a revenue for defraying the charge was to be levied on the inhabitants; but no Englishman was to be allowed to rent any lands, except such as were in the Company's employment.

With these orders to the Agent it was explained, that the powers of suspending the Company's servants, given to President Pitt, did not extend to Bengal, who would remain wholly responsible for the investment, and must dispose of the broad-cloths at less than invoice price, rather than allow it to remain in store.(1)

The

(1)—Letters from the Court to the Agent and Council in Bengal, 16th April and 1st September 1697, and 26th January 1697-98.

CHAP. III.
1697-98.
Bencoolen to be opened to the private Country Traders.

The Settlement at BENCOOLEN having already cost £200,000, it became necessary, by every practicable means, to encrease the trade:—with this view, the plan for permitting free planters to settle in the colony was adopted, under the same regulations as at St. Helena, or requiring military services, which, it was expected, would render the sending of soldiers for the garrison less necessary. Among the expedients for creating a revenue, to defray the charges, a duty of one penny per pound, was to be levied on pepper bought, under the Company's licence, by private merchants. As at all the other stations, the Agent and the Company's servants, civil and military, were to prevent, not only at Bencoolen, but elsewhere in Sumatra, the Interlopers from obtaining pepper for their cargoes for Europe.(1)

Political aspect of the Mogul Empire at this period.

On comparing the events in India, (particularly at BOMBAY and SURAT, and those which had occurred at Madras and Bengal,) with the uncertain situation in which the Company's rights remained at home, we discover the inability of the Court to afford to the Governors of their foreign Settlements any

(1)—Letter from the Court to the President and Council at Fort St. George, 16th April 1697.—— Letters from the Court to the Agent and Council of York Fort, 16th April, 23d July, and 27th October 1697.

CHAP. III. 1697-98. other than discretionary powers, to adopt the necessary expedients for preserving the trade. Affairs at Bombay and Surat and at their dependencies, continued in the same precarious situation, from the probability of civil wars on the death of Aurungzebe, and from the oppressions of the Native Governors. In some instances, these officers were afraid to act, from the uncertain nature of the Emperor's measures; and, in others, they were arbitrary, from the facility with which they could oppress a commercial body, who could not ask redress, and who, besides, were exposed, from the increase of piracies, and the intrigues, both of the French and Dutch, to all the odium of these depredations.

In the preceding season, the revolt of Sultan Akbar, and the approach of his army from Persia, through Candahar, to invade the Mogul Provinces, were referred to, as events which marked the first aspects of those civil wars which were anticipated, as soon as the death of Aurungzebe should afford to his sons the opportunity of deciding, by arms, the right of succession to his throne. This rebellion was, however, of short duration, the Sultan having been repulsed, and again obliged to take refuge in Persia, and was, in some degree, betrayed by the Rajpoots, who delivered his son to the Emperor, on a promise of being put in possession of Joudpore. Shah Aulum, another of Aurungzebe's sons, was, at this time, stationed with an army at Agra, to watch the future motions of Akbar, and to prevent his again entering into the Mogul dominions:—this Prince had so completely assumed the administration

tration of the provinces of Agra and Lahore, that he had imposed new duties on indigo, and increased the difficulty of obtaining this, and the other articles, which formed part of the Company's investment. Sultan Azim Darah, also, was sent with an army into the Decan, to overawe the Hindoo Chiefs, or keep them in check, which discovers that the war still continued between the Mogul and the Mahrattas. Khan Buxsh, the youngest son, remained near the Emperor's person, who, at this crisis, was disposed, for the first time, to enter into terms of accommodation with the Ram-Rajah, or Chief of the Mahrattas.

Phirmaunds precarious, from the state of the Government, and the encrease of the pirates.

These events, in general, sufficiently explain the relaxed state of Aurungzebe's government, and account for the reasonable fears of Sir John Gayer and the President of Surat, that any Phirmaunds or grants, which might be obtained, or any relief from the exactions and arbitrary proceedings of the new Governor of Surat, would be precarious, and liable to be interrupted or withdrawn, by those external causes, which were constantly affecting the security of the Company's property and their servants, who were held to be accountable for the depredations of the pirates, and whose character was depreciated by the insidious reports and conduct of the Interlopers, the Dutch and the French, at Surat

Harsh proceedings of the new Governor of Surat.

If, hitherto, the English had derived some protection (even when the Company's property was seized, and their servants imprisoned) from the humane and equitable character of the late Governor of Surat (Ettimand Khan), they were now de-

CHAP. III. 1697-98. prived even of this resource, from the opposite character of his successor, whom, at his arrival, they described to be a stranger to all mercantile affairs, and, subsequently, avaricious and unfriendly to the English. On his entering on his government, he stopped the mint, till he received a bribe from the shroffs, of twenty-five thousand rupees. After repeated applications, he procured an order from the King, for the payment of the seventy-three thousand rupees, seized from the Company by Muchtar Khan, in the late war; but balanced this sum against the fine imposed on the Company by the Mogul:—this adjustment of accounts, finally settled the outstanding claims and debts, arising from the late war; but though the King allowed forty thousand rupees to the English, for the convoy of a large ship to Mocha, and thirty thousand for a small one, the Governor would only pay one half of these amounts;—a conduct to which he had been instigated by the Dutch, who, during the time the English were imprisoned, excited suspicions that the Company were implicated in the crimes of the pirates.

Alarming increase of pirates in the Indian Seas.

If the relaxed state of the Mogul Government had been one source of the Company's embarrassment, at the seats of their trade in the West of India, the increasing number of the pirates was a more alarming evil;—formerly, a distinction could be made between the pirates and the Interlopers; but, in the last year, they could scarcely be distinguished:—in this season, their characters became the same; both had plunder, only,

CHAP. III. 1697-98.

only, for their object, and both made prizes of whatever ships were unable to resist them. The detail of their proceedings is interesting, only, as far as their depredations affected the Company's Settlements and trade:—they had taken a Portuguese China ship, and had plundered and sunk the Diamond, an English vessel:—the Company's late ship, the Mocha Frigate, which had been fitted out as a pirate, with one hundred and twenty-five men on board, attended by a smaller vessel, had taken or sunk seven or eight ships belonging to Surat; and though the Mocha fleet had returned in safety to Surat, under convoy of the Dutch and English squadron, Kidd, the pirate, had been near them, but had escaped to Rajahpore:—off this port he plundered a vessel belonging to Bombay:—subsequently, after careening at the Laccadivé Islands, he went to Calicut, where he took a vessel, and again made his escape, on the appearance of the Company's ships:—at Cochin, he took three valuable Dutch prizes, and then retired to St. Mary's, in the Island of Madagascar, at which, at Tullea, and at St. Augustin's Bay, in the same Island, the pirates had fortified stations, and, in these, were supplied with stores, sent from New York and the West-Indies.

Sir John Gayer recommends an application to the King, for authority to try and condemn the pirates in India.

Sir John Gayer and the President at Surat, therefore, recommended to the Court, to make an application to the King, for a commission (the Indian Seas being covered with pirates) to apprehend them, and bring them to justice in India, because such examples, only, would convince the Country Powers, that no connexion subsisted between the pirates and the Company's servants,

it

CHAP. III. 1697-98.

it being a general impression, that the apprehending and sending them to England, for trial and punishment, was a pretext, which the Natives could neither understand, nor would believe:—this application was the more necessary, as the Company's trade was in more danger from the pirates, than from the violence of the Mogul Governor, or the incursions of the Mahrattas:—there remained the expedient, only, of sending armed vessels as convoys to the Mogul ships, from Surat to Mocha and Judda, on which service three Company's ships had sailed, on the 20th March 1697-98.

Offer of the Grand Seignior to convoy the Mocha fleet refused by the Mogul.

It was, however, found, that unless the Dutch and French would employ ships on this service, as well as the English, it would be impossible to avert the recurrence of similar violence against the English servants and Factory at Surat. This service had become indispensable to the Europeans, as an offer had been made by a Turkish Merchant, that the Grand Seignior would send a fleet to convoy the ships to and from Mocha, which was refused, by the Mogul, from a dislike at seeing a Turkish fleet in the Indian seas:—an answer was, therefore, given, that the service had already been entrusted to the European ships:—the object of the Governor of Surat, in giving this answer, proceeded from a conviction that he could not levy the same sum from the Turks, as he had done from the Dutch and English:—this opinion was justified, by the Governor requiring that the freight paid to the Europeans should be deemed part of the compensation for losses:—on the refusal of the Dutch, he stopped their trade, but on the compliance of the English,

English, he promised an exclusive Phirmaund, and an abatement of customs; promises which, should they be fulfilled, would require a large present to him.

CHAP. III. 1697-98.

Under such embarrassments, the trade of the Company became daily more difficult; the imprisonment of their servants prevented the purchase of many articles, particularly indigo, which had risen in price, by the large investments of the Dutch, facilitated by the imports of Japan goods, the finer spices from the Moluccas, pepper from Java, copper, tutenague, and tin:—these articles, besides, sold at high rates in Persia, and at Mocha, and obtained for them silks and coffee.

Bombay, under these circumstances, in a hazardous situation.

During these embarrassments on trade at Surat, Bombay, and its dependencies, were placed under difficulties equally great. At Bombay, Sir John Gayer reported, that the means of defence, and the resources, were unequal to the service;—the garrison was still weak, as only seventeen soldiers had arrived this season, the greater part of the recruits having died on the passage;—trade, besides, was exposed to heavy duties on the transit of goods, to be sold in the Mogul dominions, five per cent. being paid, as Company's customs, at Bombay, on the export, eight per cent. levied by the Portuguese at Tannah, and arbitrary exactions made at Gallian, a town on the continent, belonging to the Mogul, at which the Governor paid one-fourth of the revenue to the Mahrattas; charges which could not be compensated by the duty of one rupee per ton, paid by all English ships, for the Company's passes.

The

CHAP. III.
1697-98.

The pepper trade was equally precarious at Anjengo, for though that station had been made sufficiently strong to defend itself, the Queen of Attinga had become jealous of the English, and had threatened to expel them from her country; and at Carwar much difficulty was experienced in obtaining pepper, the Mahrattas having laid waste the districts in the vicinity of that station.

Sir John Gayer offers his resignation, and reprobates President Annesley's conduct.

Under such discouraging circumstances, the intelligence that a large stock had been subscribed in England, and that considerable supplies and equipments might be expected, encouraged the General and Council to proceed with the investment, and to keep up both the export and import trade. Sir John Gayer, and President Annesley, do not appear to have coincided in the measures which each recommended, under difficulties which both acknowledged:—at the close of the season, Sir John Gayer solicited permission to resign, on a proper successor being appointed; but protested against Mr. Annesley, as having mismanaged the Company's business entrusted to his charge.(1)

Substance of Phirmaunds renewed and obtained in Persia in this season.

Continuing the detail of events in Persia, which, in the preceding season, brought the applications of the Agents for a new "*Ahtnama*," or Phirmaund, and "*Rogoms*" (or detached

(1)—Letters from the General and Council at Bombay to the Court, 11th April, 10th May, 30th October, 30th November, 15th and 18th December 1697, 12th, 25th and 26th January, 20th and 23d February, and 10th March 1697-98.—— Letters from the President and Council of Surat to the Court, 2d and 21st April, 4th May 1697, 12th January, 12th and 14th February 1697-98.—— Letter from the Chief and Factors at Anjengo to the General at Bombay, 21st August 1697.

tached grants of privileges to the Company), into a situation where success was probable, we find that, on the 18th June 1697, they were obtained, and had passed through all the offices, notwithstanding the opposition of the Dutch, who had offered double the sum, provided an order should be issued to stop the Company's trade. CHAP. III. 1697-98.

The "Ahtnama," or Phirmaund, granted by Sultan Hossein, dated the 18th June 1697, conferred particular privileges on the English Nation, and proceeded on the Phirmaund originally granted by Shah Abbas the Great, in 1615, during the reign of King James I., which was afterwards renewed by Shah Sephi, and, subsequently, by Shah Selimon, in the reign of King Charles II.:—this new Phirmaund stipulated, that an English Ambassador, or Consul, should reside in Persia, and, if required, a Persian Ambassador should proceed to England;—that the English might bring their ships to whatever ports in Persia, they pleased, and be furnished with carriages for their goods, and pay the same price for provisions, as the Natives;—that, in case of shipwreck, they should be assisted in saving their goods, and persons embezzling them were to make restitution;—that they should not be obliged to sell their goods, at any particular port, but might purchase what they chose, with ready money;—that they should not be compelled to abjure their own religion, "*it being God's business to turn men's hearts;*"—that they should be entitled to wear arms, to defend themselves against "rogues" attempting to steal their goods, and not be punishable for killing them; but if the offender (being a Per-

 sian)

CHAP. III.
1697-98.

sian) be seized, he was to be carried before the chief officer of the place, who was to punish him; but if English, "*they might* "*kill him themselves;*"—that the English Ambassador should be allowed a house, and if any of his people offended, he should be the judge; and the English Consul, in absence of the Ambassador, was to have the same respect and privileges;—that if the Persians should commit any injury on the attendants of the Ambassador, application was to be made to the Cazi for redress;—that the linguists of the Ambassador should be privileged;—that the English should be allowed to employ people of every cast, who might be willing to serve them, and if an English slave be brought from Turkey, he should be liberated, on the repayment to his master, of the sum paid for him;—that, on the death of an Englishman, his countrymen might dispose of his effects, according to their own Christian law; and if he should have married a Christian, and have children, and the mother be dead, the children should be delivered to the English Ambassador;—that the English should pay the same duties of import and export, that they paid at Aleppo and Constantinople, and only such "*Raddarage*" as had been usual; and should they lose goods, and affirm such loss before the Consul, then the Governors and "*Raddars*" should be compelled to find such goods, or to pay for them;—that should any dispute arise among merchants, under the value of twenty tomands, it should be decided by the Cazi, and, if above that sum, by the Ambassador, according to the Persian law, in both cases; and if

if the English could not sell their goods at the price they asked, they might dispose of them where they pleased. (1) CHAP. III. 1697-98.

The Rogoms, or particular privileges, granted to the Company, included the nineteen, formerly conferred by the successive Sovereigns of Persia, with two additional ones. By the former grants, the Company had a right to possess a house at Ispahan; —to recover goods taken from them on the road;—to be exempted from "*Raddarage*" in the Persian dominions;—to receive civil usage;—to export twelve horses annually;—to export two thousand maunds of goods, free of duty;—to convey their goods in safety to their house in Ispahan;—to have a right of bringing water to their house;—to have guards to their Caphilas, or caravans;—to make, drink, and export wine;—to employ assistants in making wine;—to buy what Caramania wool they might have occasion for;—to have the power of judging of the offences of their own people;—to sell to the Governor of Gombroon for ready money, he being prohibited from employing any force in compelling such sales;—to take possession of their own house at Shiras, which the Governor had dispossessed them of;—not to be compelled to give presents to the Khans, or Governors;—to be protected against hindrance, in bringing goods on shore, at Gombroon;—and no custom, in future, to be paid on "*Hing*" and sugar.

The additional Rogoms now granted by Sultan Hossein, were, first, that the English should, in future, be exempted from

 payment

(1)—Copy of the Ahtnama, or Phirmaund, renewed by Sultan Hossein, June 1697. (MSS. in the India Register Office, vol. 1, No. 4759).

CHAP. III. 1697-98.

payment of the duties of "*Sudeak*" and "*Havoy*," throughout the Persian dominions; and, secondly, that the arrears of customs, due to the English, should be immediately adjusted, and paid by the Governor of Gombroon. (1)

The Armenians oppose the Company's export of silk at Gombroon.

These Phirmaunds and Rogoms were followed by an order from the King, to the Khan of Caramania, to permit the Company's purchases of wool to be made to their full extent; but, it was found difficult to obtain an additional Rogom to export silk by way of Gombroon, this request being opposed by the Armenians, because it would obstruct their trade to Aleppo; —if, however, a Rogom to this effect, could be procured, it would effectually depress the trade of the Turkey Company, which could no longer make those profitable exchanges for the silk, which composed the most valuable part of their assortments.

Offer of accommodation, on one of the Company's ships, to the Persian Ambassador proceeding to the Court of the Mogul.

In this state of the Company's interests, the ship, Charles the Second, which had arrived at Gombroon from Bombay, was offered to convey to India, the Ambassador from the King of Persia, to the Mogul; it being of importance, that the Company should have the credit of this service, rather than the Dutch, who would readily offer one of their vessels, both to conciliate favor, and to prejudice the Persian Court against the English. The Agent, also, suggested the expediency of assisting the Persians in the reduction of Muscat, and destroying the Arab fleet, if

(1)—List of Rogoms renewed and granted to the English, by Shah Sultan Hossein, dated the 18th June 1697. (MSS. in the India Register Office, vol. xlviii. No. 4642).

if no other reason existed, than to deprive the Dutch of the opportunity of acquiring influence, if their fleet should go on a service that would be so acceptable to the King of Persia.

Treacherous conduct of the Armenian merchants in the sale of English cloth.

While the Company's affairs in Persia were in this improved state, the Agent acknowledged the services of Doud, the Company's former broker, who was extremely desirous of being restored to their employment:—at the same time, he described the Armenians as having obstructed the sale of English cloths on every occasion. This conduct, he trusted, though it would render the sales dull, for a year or two, would not, ultimately, ruin the project of disposing of large quantities of English cloth: —mean-time, the cloth which came on the Charles the Second had been sold to the shopkeepers, at seventeen months' credit, though the Armenians had endeavoured to persuade them not to buy the Company's cloth, because they expected a large assortment from Aleppo.

Measures of Mr. Barwell, on being appointed chief Agent in Persia.

In this state of the Company's affairs, Mr. Barwell was appointed chief Agent in Persia, with instructions, under the new Phirmaunds, to push the sale of English cloth as far as possible, and to endeavour (if it should cost the sum of five thousand rupees in presents) to obtain a participation in the silk trade with the Armenians, and a Phirmaund for exporting it, by Gombroon:—the report closes with stating, that the arrears of customs had not been recovered, though a part of those of the current year had been received;—but that it would tend to the improvement of the Company's rights, and the confidence

of

CHAP. III.
1697-98.

of the Persians in them, if some of the pirates, condemned in England, could be sent for execution to Persia, and to Surat. (1)

Trade at Fort St. George impeded, by the war in the Carnatic, and by the increased number of the pirates.

The Company's affairs at Fort St. George, during this season, continued to be affected, by the wars which still prevailed between the Mogul and the Hindoos, which made it inexpedient to attempt procuring a Phirmaund for Madras. The Mogul General, Zulfaker Khan, was still beseiging Gingee, and trade in the Circar of Vizagapatam had been completely interrupted. The only public circumstance mentioned, related to the safety of Fort St. George and Fort St. David, the garrisons of each of which consisted of one hundred and thirty-three European soldiers and eighty-eight topasses:—the navigation, however, was constantly interrupted by the pirates, who had increased to ten sail, manned by crews, of from one hundred to one hundred and fifty men each:—under these circumstances, small country vessels had been dispatched to Tonquin, to withdraw the Factory, agreeably to the Court's orders. (2)

The Agent in Bengal sends an Envoy to Prince Azim, at Burdwan, to solicit protection.

The commotions which affected the Company's stations and trade at Bombay, and at Fort St. George, were equally felt in Bengal, which was now declared to be independent of the Fort, but was to convey to that Presidency such information as might enable it to accommodate the shipping to the investments on the Coast, and in the Bay of Bengal.

Sultan

(1)—Letters from the Agents and Councils at Ispahan and Gombroon to the Court, 11th June, 11th, 15th, and 23d July, 3d December 1697, and 20th February 1697-98.

(2)—Letter from the President and Council of Fort St. George to the Court, 3d June 1697.—— Letter from the President and Council of Fort St. George to the General and Council at Bombay, 7th August 1697.

Sultan Azim, grandson of the Emperor (the son of Shah Aulum), was, about this time, appointed Subah, or Viceroy, of Bengal, Bahar, and Orissa, and a new Nabob was sent to Bengal, the principal seat of the Company's trade. As the Prince was at Burdwan, both the Dutch and the English thought it expedient to send an embassy to him, with presents:—Mr. Stanley was employed by the Agent at Chutanuttee, on this mission, with a present, valued at sixteen thousand rupees; but the Prince had not, as yet, attacked the insurgents, on account of the desertion of one of his principal officers with a large body of cavalry, though he had entered the rebels' country, and a general action was daily expected. In this state of affairs, the trade in Bengal was perfectly open, the object of the Agent being not only to conciliate the Prince, but to engage his Duan to encourage the English imports, by making him a present of English broad-cloth, estimated at eight hundred rupees:—these precautions, however, were not sufficient to prevent the new Nabob from receiving the Interlopers, who, for a bribe of fourteen thousand rupees, had got a Perwannah, for trade in Bengal, and a promise to have it confirmed by the King; a promise which he did not fulfil, probably from the expectation of a greater bribe from the Agency; Mr. Stanley, therefore, applied to the Prince for a prohibition to the Interlopers, and solicited permission to establish a mint at Hughly.

CHAP. III. 1697-98.

In this mixed state of interests, the investment proceeded with much difficulty, because the markets were disturbed by the Interlopers and the Dutch, the former being supplied with salt- petre

The investment obstructed by the Dutch and Interlopers.

CHAP. III.
1697-98.

and calicoes by the Armenians, and the latter by their own Agents;—the rights, thus, as well as the trade of the Company in the Bengal provinces, depended, this year, on expedients, and on the activity of the Agents, and were exposed to risks from the pirates, whose numbers were daily increasing. (1)

Company's trade at Bencoolen on the increase.

Though no direct information was received from BENCOOLEN, it appears that this Settlement had become much more healthy than formerly, and that considerable quantities of pepper had been procured at York Fort, and at Tryamong; and, in general, that the stations, on the Island of Sumatra were in an improving state, for we shall find that considerable equipments and stock were consigned to them, in the following season. (2)

(1)—Letter from the President and Council of Fort St. George to the Court, 3d June 1697.—— Letter from the President and Council of Fort St. George to the Agent and Council of Bengal, 23d November 1697.—— Letter from the Agent and Council in Bengal to the General and Council at Bombay, 6th January 1697-98.

(2)—Letter from the President and Council of Fort St. George to the Court, 3d June 1697.

1698-99.

LONDON COMPANY.

CHAP. III. 1698-99. Retrospect of the difficulties against which the London East-India Company had struggled, from their establishment to this period.

The Annals of the London East-India Company have been traced, from their establishment by Queen Elizabeth, to this eventful year, when, after the long series of difficulties, at home and abroad, which they had to encounter and to surmount, their rights and privileges were to be overset. Hitherto, the London East-India Company had been opposed by licences from the Crown, contrary to the Charters and privileges which the Crown itself had granted:—those licences had been given to Private Traders, who sought a share in the trade, without incurring the heavy charges and expenditure of the Company at home, or of their establishments abroad. After struggling through the oppressions, and the invasion of their Charter and privileges during the Interregnum;—after having those rights and privileges recognized, at the Restoration, and, from time to time, enlarged;—after experiencing obstructions from the projects of Private Traders, under all the various denominations of Interlopers and Pirates, and having their credit exposed to ruin, and their servants to imprisonment;—and, (during the last ten years which elapsed, from the Revolution),

CHAP. III. 1698-99. after having obtained grants from the Crown, and encouragement in their applications to Parliament, to have their rights placed on the basis of an Act of the Legislature, the London East-India Company were now to experience the misfortune of having a rival, recognized on that constitutional ground, which they had sought, and merited.

Such were the vicissitudes, and such the hard fate of that London Company, which had created, and, for a century, preserved a direct trade between England and the East-Indies. In the sequel, we shall have to view the exertions of this Company, possessed of property and of experience, bringing not only popular speculations to the test of experiment, but obliging the rival Company to seek their safety in an union with that mercantile body, which they had endeavoured to overset.

Arrangement to be observed, in tracing the Annals of the two East-India Companies.

In tracing this important branch of the commercial history of the kingdom, we shall continue the same chronological order, but distinguish the Old Company by the title they were now obliged to assume, of *The London Company*, from the New Association, which obtained the more popular, because national, name of *The English Company*. After recapitulating the rights and privileges of the one, and stating those of the other, we shall trace the domestic and foreign transactions of each, and connect them with the events which marked their struggles, within the same limits, at the close of the memorable reign of Aurungzebe.

On

On the subject of the rights and privileges of the London Company, a retrospect was taken of the successive grants by which they had been established, and had continued to acquire Settlements, by purchase, or by treaties, and, recently, of the renewed grants obtained from the King, when an appeal was made to the Crown, to adjust the disputes with the Private Merchants and Interlopers. The result of this appeal was, that the London Company were confirmed, by grants from the Crown, as a Body Corporate, with succession; but their applications to Parliament, to have these Charters and grants of privileges strengthened by legislative authority, (agreeably to the form which the Constitution had assumed) were waved, or not conferred; and yet it was, even at this time, considered as manifest, that two Companies, of the same nation, and with the same privileges, were political contradictions, if not absurdities, as their opposition to each other, must ruin the credit of both.

Events which led to the establishment of a New East-India Company.

At this period, an opinion began to prevail, that a second East-India Company might be formed:—this opinion originated in the encouragement given to the Private Traders, or Interlopers, to make successive equipments, and tô obtain grants from the Native Powers in India, allowing them liberty of trade; a conduct which the London Company held to be an invasion of their exclusive privileges.

The project of a Land Bank, to raise a supply

In the preceding season, the resources required for prosecuting the war against France, brought forward the project of

CHAP. III. 1698-99.

for the Government impracticable.

of "*a Land Bank*," by which £2,500,000 was to be raised for the public service. On examining the means from which such a Bank could raise subscriptions, the plan was soon found to be impracticable, because the commercial resources of the country, alone, could furnish this large and sudden supply, and the recent establishment of the Bank of England prevented so considerable an amount being drawn from it, while the losses of the Turkey and East-India Companies, during the war, made it impossible for them to furnish this aid; the project, therefore, of "*a Land Bank*" was suspended, but not laid aside. In the season we have to review, a large supply was, also, required, to wind up the expences of the war, on the restoration of peace, by the Treaty of Ryswick.

London Company offer to raise £700,000 at four per cent. for the public service.

In 1698-99, the Private Merchants renewed their applications to obtain from Parliament an Act, for creating a New East-India Company, and founded their application on the public prejudices against monopolies, artfully connecting those prejudices with the discontents of many of the Proprietors of the East-India Stock, who had not regularly received their dividends, on account of the heavy loss of ships and cargoes during the war.

The Court of Committees (Directors), therefore, at the opening of this season, found it expedient, as the House of Commons had again taken into consideration the state of the East-India trade, to offer to advance £700,000, at £4 per cent. interest, for the public service, provided their Charter should

should be confirmed by Act of Parliament, and the trade to India legally settled on the London Company.

The Private Merchants offer to raise £2,000,000 at eight per cent. which is accepted, and a Bill introduced in their favor.

While this subject was under the consideration of Parliament, a number of Private Merchants proposed to advance £2,000,000, at £8 per cent. interest, provided they might have the exclusive trade to India vested in them, and that they should not be obliged to trade on a Joint Stock, unless they should afterwards desire to be incorporated for this purpose, and have a Charter conferred on them.

The large offer of £2,000,000, though at higher interest, was considered to be more advantageous to the public, than the offer of £700,000, by the London Company, because it would furnish the State with a greater and more immediate supply of money; a Bill, therefore, was introduced into the House of Commons, for accepting the offer of £2,000,000.

Arguments of the London Company against this Bill, and answers of the Private Merchants.

The Court of Committees (Directors) in their London Company prayed to be heard against this Bill, and pleaded, that they had fulfilled all the conditions in their successive Charters; that they possessed a full right to their Settlements, to which, by law, they had an exclusive title; that they enjoyed commercial privileges in the Settlements, which they had purchased for valuable considerations, and which they estimated at £44,000 per annum; and concluded with offering to open subscriptions, to the amount of £2,000,000. In answer, the New Association pleaded that the Crown had, from the first Charter of Queen Elizabeth, to the present time, reserved the power, if the trade should not prove profitable to the King and to the realm,

CHAP. III. 1698-99.

realm, to withdraw the privileges of trade on three years notice. In reply, the London Company stated, that the property of numerous families would be lost, unless supported by a fixed joint stock; that it required £600,000, annually, to carry on the trade; that the London Company were bound to export £100,000 per annum, of British produce; that their losses, during the war, amounted to £1,500,000; and that they had paid £295,000 in customs, and £85,000 in taxes, &c.(1)

Instructions to Sir John Gayer while the Bill was pending.

Such was the substance of the arguments for and against the Bill, and the instructions of the Company to their servants abroad, while this Bill was pending in Parliament, will form an interesting illustration of them:—Afraid that the rumours of this event might prejudice their trade abroad, and affect the precarious relations, subsisting between their Presidencies and the Country Powers, and that intelligence of it might be conveyed to India, by their own ships, the Court explained the critical situation of their affairs in England, to Sir John Gayer, in a letter, dated the 28th May 1698, and trusted the project of their enemies would prove abortive, and that, after all their troubles and charges, they might, at last, obtain a happy settlement of their affairs:—mean-time, they recommended to their servants, not to give credit to insinuations against the Company, but to exert their utmost industry in improving the stock of this season, at each of their Factories, and particularly

(1) —See the Series of East-India Charters (printed) from Queen Elizabeth to 1698. —— Anderson's History of Commerce, vol. ii., page 634.

cularly warned them of the probable attempts of their opponents, to corrupt those who were entrusted with the management of their affairs abroad. (1)

Act passed, incorporating the Private Merchants, by the name of the General Society trading to the East-Indies.

Notwithstanding the expectations of the London Company, an Act passed (10th William III, cap. 44) " for raising a sum, " not exceeding two millions, upon a fund, for payment of " annuities, after the rate of £8 per cent., and for settling the " trade to the East-Indies." The subscribers to these two millions were denominated *The General Society trading to the East-Indies*, and the King was empowered to incorporate them, by Charter, into one Body Politic; each subscriber to trade, annually, to the amount of his subscription, and the Old, or London Company, to be permitted to trade to India, till the 29th September 1701.(2)

The London Company, as a Corporation, subscribe to this new stock.

The Court of Committees (Directors) of the London Company, in their letter to the General at Bombay, 8th July 1698, described the events which accompanied the progress and passing of this Act, in a manner which, in their opinion, rather proved that it was the result of the success of a party, than of deliberate parliamentary wisdom :—they stated the offers which the London Company had made, but, *that the Interlopers had prevailed, by their offer of having the trade free, and not on a Joint Stock*;—that the Act had passed the House of Commons by a small majority, and also the House of Lords, in which a protest was entered against it;—that as Corporations were per-

(1)—Letter from the Court to the General and Council at Bombay, 28th May 1698.

(2)—East-India Acts (printed 1786), page 14.

CHAP. III. 1698-99. permitted to subscribe, and trade to the amount of their subscription, and as the London Company were allowed to trade, without subscribing, for three years, the Court had resolved to take advantage of this clause, as a Corporation, and to subscribe as large a sum as they could, that they might trade on it, after the expiration of their period.

From the consideration that this commercial rivalship would produce public losses, the Court hoped the Act would be repealed, in the subsequent session, and informed their servants abroad, that the Court of Proprietors had resolved, by large equipments and stock, to purchase such investments as would frustrate (if their servants would act with spirit and fidelity) the speculations of the Interlopers or New Association.(1)

Commercial instructions to their Agents to counteract the schemes of the New Association.

A month subsequently to this notice, the commercial spirit of the London Company, instead of being depressed, appears to have been invigorated; for they informed their servants in Bengal, that though they formerly had hesitated to have a large stock in India, to make purchases, because they had not fortresses, in which their stores could be secured, that now, when their fortifications were equal to the defence of their property, the shipping and stock would be encreased, in proportion to the difficulties they had to surmount;—that they were satisfied of the impracticability of two Companies subsisting in England, at the same time, with the same objects, and trading within the same limits, or, in their own language, that "two East-India "Company's

(1)—Letter from the Court to the General and Council at Bombay, 8th July 1698.

"Company's in England could no more subsist, without destroy-"ing one y^e other, than two Kings, at the same time regnant "in the same kingdom;—that now a civil battle was to be "fought, between the Old and the New Company; and that two "or three years must end this war, as the Old, or the New, must "give way;—that being veterans, if their servants abroad would "do their duty, they did not doubt of the victory;—that if the "world laughed at the pains the two Companies took to ruin each "other, they could not help it, as they were on good ground, and "had a Charter;—that when the three years expired, still they "had revenues and possessions, and had a share in the New "Company's stock, to the amount of £315,000, and were, there-"fore, entitled to trade, annually, to India, to that amount." (1)

The King incorporates the General Society, by the name of the English East-India Company.

Whether the Crown or the Parliament entered into the consideration of these facts, or, from having accepted the loan of two millions, overlooked them, it is immaterial to enquire; but it is probable, that the indulging the subscribers, by giving them a Charter, formed the only subject of consideration, for the King having power, by the Act, to incorporate the subscribers into one exclusive Company, to be termed the *General Society trading to the East-Indies*, granted them a Charter, dated the 3d September 1698, by which the individuals, constituting this Society, were entitled to trade to the East-Indies, in proportion to the amount of stock subscribed, that is, *each to be a separate trader*.(2)

(1)—Letter from the Court to the Agent and Council in Bengal, 26th August 1698.

(2)—Recital of the Incorporation of the General Society, in the Charter incorporating the English Company, 3d September 1698, (Printed Collection of Charters, page 206).

CHAP. III.
1698-99.
Substance of the privileges of the English Company.

Scarcely had this Charter passed, when, in the short space of two days, on the 5th September 1698, it became necessary to incorporate the majority of this number, and their successors, by Charter, to be one exclusive Company, *to trade on a Joint Stock*, under the name of "*The English Company trading to* "*the East-Indies*," with the following privileges:—to have perpetual succession, and a Common Seal;—to trade, for ever hereafter, to India, to the amount of their capital;—to augment their capital stock;—£500 stock to entitle to one vote, and none to have more than one vote;—to have the same powers to erect Courts of Judicature in India, as the London Company had, by King James IId.'s Charter;—the Old, or London Company, to trade to India, till the 29th September 1701, but no longer;—and one-tenth part of the whole annual exports to India, to be in English produce and manufactures.(1)

The stock of this Company rapidly declines in value.

A very short experiment discovered the effects of speculation not founded on practice:—when the English Company got possession of their Charter, they concluded they had, at last, ruined the London Company; but when the payments on the new stock began to be called for, the subscribers felt the approach of difficulties, which, in their eagerness to possess the Charter, had not entered into their contemplation, or that, in proportion as the calls were made, the price of the new stock would sink, and that, in their first transaction, they would give an advantage to

(1)—Anderson's History of Commerce, vol. ii, page 638.—— Letters Patent granted to the English Company, 5th September 1698, (10 William III. Printed Collection of Charters, page 188).

to the London Company, who would bring forward the profits from their sales, and the value of their stock, as a contrast to the price of the new stock in the market:—the Court of Committees of the London Company, instructed by experience, in this manner, gave a necessary lesson to the public, that it had been duped by *Speculations*, which were no sooner acted on, than they proved detrimental to those, who had risked their property in them.

CHAP. III. 1698-99.

Within a few weeks after the establishment of the English Company, the Court of Committees of the London Company communicated this event to the President and Council at Fort St. George, on the 28th October 1698, with a statement, in substance, as follows:—that the English Company had paid in two-tenths of their subscription;—out of the first tenth, the discount had been allowed, so that only £7 was paid for the first £10;—that the second £10 was paid in full, so that £17, only, had, as yet, been paid, for each £100 subscribed;—that this £17, at the date of this letter, sold for £14, which was nearly a loss of twenty-five per cent. on each £100; that this stock would diminish in value, on the payment of each subsequent tenth, or instalment; and this proved to be the fact, for when the third tenth was paid, it sold at five per cent. discount;—that the effect of this fall had already been felt by the stockholders of the New Company, who had begun to place their reliance on a coalition with the Old; and that though the Court were of opinion this might be the ultimate consequence, they did not consider the present, to be the time for listening to it,

 or

CHAP. III. 1698-99.

or, indeed, till the stock of the London and English Companies should bear nearly the same price.

The London Company make a call of twenty-five per cent. on the Proprietors.

These events confirmed the arguments which the London Company had urged to the King, and to Parliament, when they were soliciting an Act for confirming their privileges, for they then stated, that two East-India Companies could not subsist in the same nation. Matters were in this situation, when the Court resolved, as their sales had, this year, already produced £640,000, and their spring sales would probably amount to £300,000 more, to make a call on the Adventurers, or Proprietors, of £25 per cent. on their respective stocks, which would raise near £400,000, by which means they would be enabled to discharge all their bond debts, and to refute the aspersions of their opponents, who had represented their affairs to be desperate.(1)

The offer of the English Company to coalesce with the London Company, rejected.

In December 1698, the English Company still farther lost confidence in their own speculation, for as the payments on their stock were made, its value was depressed; and in March 1698-99, Mr. Papillon was employed by them, to negotiate a coalition between the two Companies:—this project the Court were of opinion was inadmissible, unless the English Company had ready money to pay for forts, territories, &c., in India, and to lay down the same sum to begin a new Joint Stock, as the London Company were in a capacity to do.(2)

Whether

(1)—Letter from the Court of the London Company to the President and Council at Fort St. George, 28th October 1698.

(2)—Letter from the Court of the London Company to the President and Council of Fort St. George, 15th December 1698.—— Letter from the Court to the General and Council at Bombay, 17th March 1698-99.

CHAP. III. 1698-99. The London Company propose sending to Dr. Davenant to India, to check the measures of Sir William Norris.

Whether it was to induce the London Company to meet the plan of the English, by an impression of the support they were to receive from the Crown, or that finding the project of a coalition was not listened to, the English Company resolved to solicit, and obtained permission from the King, to send Mr. (afterwards Sir William) Norris, a Member of the House of Commons, as Ambassador to the Great Mogul; but with what object the London Company could not discover, unless it was to explain the different situations of the two Companies, and to solicit the favor of the Mogul, to the English Company.

The London Company, on receiving intelligence of this embassy, were alarmed for the safety of their Settlements and trade, and, by a letter to Mr. Secretary Vernon, requested that a copy of the instructions to the Ambassador, or of so much of them as related to the affairs of the London Company, might be furnished them; and, by petition to His Majesty, submitted, whether an application for any other privileges, or settlements, in India, might not endanger the rights which they had purchased, at so great an expence.

The London Company, however, that they might provide against the measures of Sir William Norris, engaged also a Member of the House of Commons, who was a civilian of eminence (Dr. Charles Davenant) to proceed to India, and give his advice to the General, and to the Presidents, of the conduct they ought to adopt, in preserving their rights from being injured, by the measures which the London Company, or their Ambassador, might devise.(1)

It

(1)—Letter from the Court to the President and Council at Fort St. George, 30th December

CHAP. III.
1698-99.
General commercial instructions of the London Company, on this occasion.

It is material, in this place, to refer to the resolution of the Court, upon which their general instructions to their foreign Settlements were founded, which, in substance, was,—that they were to send out a large equipment, and a proportionate stock, to anticipate the shipping, and the Agents of the English Company, expected to proceed to the East-Indies;—and that they trusted in the experience and local knowledge of their servants, not only to buy up large quantities of Indian goods, suited to the Europe market, but to dispatch the homeward-bound ships with the greatest expedition, which would have the effect of raising the public opinion in favor of their trade, and would compel their opponents, in such investments as they might procure, to pay a high price in the different Eastern markets, and to sell, not only without profit, but probably with a loss, and thus bring the commercial rivalship of the two Companies to a speedy issue.(1)

Having thus traced the relative rights of the London and English Companies, on the establishment of the latter, we have, agreeably to the plan, in the preceding part of these Annals, to state, shortly, the particular instructions of the Court of the London East-India Company to their servants abroad, under such trying circumstances, and the amount of the equipments and

December 1698.—— Letter from the London East-India Company to Mr. Secretary Vernon, 9th January 1698-99.—— Petition of the London East-India Company to the King, 17th January 1698-99. (East-India Papers in the State Paper Office, part ii. No. 28 and 30.)

(1)—Letter from the Court to the General and Council at Bombay, 17th March 1698-99.

and stock with which they proposed, at each Presidency, to meet their rivals in the Indian markets.

CHAP. III. 1698-99.

Sir John Gayer instructed to obtain a Phirmaund from the Mogul, in favour of the London Company.

The instructions to BOMBAY and SURAT, as might be supposed, proceeded on the important events which affected the Company's rights in England, and went to point out a conduct, accommodated to the actual state of their affairs.

It was of importance, while the Court were struggling with the English Company, that the Phirmaund which had, for so long a time, been solicited from the Mogul, should be obtained, both because this grant would render their trade, and the exemptions from duties, more defined; and because, possessed of such protection, a bar would be put against the applications of the Ambassador, whom the English Company proposed to send, under the King's authority, to seek protection for a new, and, hitherto, unknown Association of merchants in the Mogul dominions. On these grounds, Sir John Gayer was instructed to solicit, and to obtain this Phirmaund, regardless of expence; explaining, that this instruction proceeded on the resolution of the General Court of Proprietors to push the trade to its utmost extent, in opposition to the English Company, which, notwithstanding their Charter, the London Company considered to be invaders of their rights, and authorized Interlopers only:—the General, at the same time, was to avoid being party in any of the disputes in the Mogul Empire, respecting the succession, and to observe the greatest deference towards the reigning Sovereign.

While

CHAP. III.
1698-99.
Commodore Warren sent with a squadron against the Pirates.

The Court, as an encouragement to their servants, intimated, that the King had listened to their former applications, to have a naval force sent to the East-Indies, to expel the pirates from their retreats in the Island of Madagascar, and to clear the Indian Seas of them;—this fleet, they trusted, in connexion with the ships appointed to convoy the pilgrims from Surat, to Judda and Mocha, would conciliate the Mogul Government to a Company, which, for a century, had been faithful in their dealings, and had contributed so largely to the revenues of the Empire:—with these views, the Court addressed a letter, dated the 25th March 1699, to the Governor of Surat, praying his good offices with the Mogul, to obtain a Phirmaund, and rested their hopes of such favour on the King of England having, at their entreaty, agreed (as soon as the wars in Europe had ceased) to send a naval force to extirpate those pirates, who had occasioned such frequent misunderstanding between the Mogul Government and the Company's servants.

In a separate letter, the Court, informed Sir John Gayer, that the King's fleet, consisting of the Anglesea and Harwich, of forty-eight guns each, the Hastings, of thirty-two, and the Lizard, of twenty-four guns, had sailed from Portsmouth, in January 1698-99, under the orders of Commodore Warren, who had received his instructions, in connexion with the Directors of the English Company, who, alone, had been consulted, and had agreed to furnish the fleet with provisions and necessaries.

After

CHAP. III.

1698-99.

Equipments, stock, and commercial instructions of the London Company, for this season.

After informing the Government of Bombay, and the Presidency of Surat, that the homeward-bound fleet, consisting of one ship from Bencoolen, two from Fort St. George, two from Bombay, and one from Bengal, had arrived safe, the Court gave notice, that the Northumberland, with a stock estimated at one hundred and thirty thousand dollars, was destined for Bombay and Surat; besides which, three more ships (having forty soldiers for the garrison) would proceed, in the spring, with a stock of £200,000, and that the ships of the season, for the different ports in India, would, together, amount to thirteen sail, carrying five thousand tons, and with stock estimated at £525,000;—that, in return, they expected, under their general orders, the largest possible investment, and particularly the greatest quantity of white pepper that could be procured on the Malabar Coast;—that the expectation of receiving this part of the investment was founded on the intelligence which had arrived, that the Dutch had relinquished their Factory at Cananore, and the other stations in its vicinity, an event which was not improbable, it being inexplicable, why this people should have retained stations in that country, for the last twenty years, when it was known, that they could obtain an indefinite quantity of pepper, at Bantam and at Jambee, at half the price at which they could purchase it, at those Settlements, which they had retained for no other reason, but to exclude the English from the pepper trade.

President Annesley dismissed, and Mr. Colt appointed President of Surat.

Referring to the internal circumstances of Surat and Bombay, the Court intimated, that they had dismissed Mr. Annesley, the President of Surat, from their service, and had

CHAP. III. 1698-99.

had appointed Mr. Colt to succeed him, by a commission, under the Company's Common Seal, dated the 13th May 1698, and assigned, as their reason, Mr. Annesley's breach of trust, and his delusive contracts with the Native brokers:—As an encouragement to their servants in India, the Court, at this time, permitted them to trade in jewels.

It was, in general, ordered, that the dependencies on Bombay should be continued; and the project of forming a Factory at Gounan, in the Mahratta country, was approved of, provided the safety of the goods could be insured, on payment of customs, at the rate of two, or even two and a half per cent. (1)

The attempt to acquire new Phirmaunds in Persia to be postponed.

On reviewing the information which the Court received, this season, of the Phirmaund and Rogoms obtained from the King of Persia, it appears, that they approved of the conduct of the Agents at ISPAHAN and GOMBROON, and authorized them to remunerate Doud, the broker, for his services, by a present of a gold medal and chain; but considered, that instead of again applying to the Persian Court, so immediately, for the payment of customs, they should limit their application to have the Company's right to them recognized, and to offer the Shahbunder a per-centage, on such proportion of them as he might pay.

(1)—Letters from the Court to the General and Council at Bombay, 13th and 28th May, 8th and 19th July, 26th August 1698, 17th March 1698-99, and 6th April 1699.—— Letter from the Court to the President and Council of Surat, 17th March 1698.—— Commission appointing Mr. Colt to be President of Surat, 17th March 1698-99.—— Letter from Sir John Fleet, Governor of the London Company, to the Governor of Surat, 25th March 1699.

pay In addition, also, to the former orders for purchasing silk, Caramania wool, &c., the Agents were to send home fifteen thousand pieces of Ispahan chintzes. (1)

CHAP. III. 1698-99.

Instructions to Fort St. George to re-occupy the stations on the Coromandel Coast.

The instructions to FORT ST. GEORGE, after recapitulating the events in England, which had raised the English Company to a rivalship with the London Company, explained, that the fortified stations had become not only of importance as a defence against the Country Powers, but for the exclusion of their rivals; it was, therefore, ordered, that the revenues which were applicable to the forts and garrisons, should be increased, and regularly levied, and the general receiver of them made responsible, both for the amount, and for his subordinate officers, in the discharge of their duty:—this regulation was to extend to all Settlements on the Coast, especially to Vizagapatam, at which, in the payment of revenue, no distinction was to be made between the English and the Native inhabitants, it being necessary to render the resources equal to the charges, and to exclude the New Company's ships, and their Agents, from ports belonging to the Old:—the President was, therefore, (notwithstanding former orders) to repossess all the old Factories and Settlements, but to limit the expences of Madapollam, Masulipatam, and Pettipolee, to the annual amount of six hundred pagodas each.

General commercial instructions to Fort St. George.

The commercial orders in general were to sell the Europe goods as quickly as possible, and to apply the proceeds to a large investment,

(1)—Letters from the Court to the Agent and Council at Ispahan, 15th April and 8th July 1698, and 17th March 1698-99.

CHAP. III.
1698-99.

investment, the Company looking more to the profits of the sales in Europe, than of their sales in India:—£150,000, in Spanish dollars, had been sent on the ships of the season, to be coined into rupees, and remitted to Bengal, to facilitate the purchases at that Agency.(1)

Bengal again made independent of Fort St. George, and commercial instructions to the Agent.

After notifying to the Agency in BENGAL the establishment of the English Company, this station was again made independent of the Fort;—the Agent, however, was limited in his powers, and was not to remove or displace any of the Members of Council, whose situations were to be fixed, unless an order to the contrary should come from England, signed by the Governor, Deputy, and thirteen Committees:—he was, farther, under the existing circumstances, to postpone the establishment of a Court of Judicature at Chutanuttee, but to send all persons, who might prove unfaithful to the Company, to Fort St. George, to take their trial at that Presidency:—the fortifications at Chutanuttee were to be strengthened by degrees, and made regular; but care taken not to give offence to the Mogul Government:—all business, however, was to be transacted at this place, it being now the property of the Company:—the Out-factories were to be reduced, the charges having exceeded the share they had taken in providing investments. On the shipping consigned to Bengal, stock was sent, estimated at £200,000, with which the largest possible investment was to be made of raw-silk, taffaties, and shell-lack, with a small quantity of

(1)—Letters from the Court to the Agent and Council at Fort St. George, 26th August, 28th October, 15th and 30th December 1698, and 6th January 1698-99.

of saltpetre, that article, on account of the peace, being scarcely vendible in Europe.(1)

CHAP. III. 1698-99.

Regulations to be observed at St. Helena.

The Island of St. Helena, though a Company's establishment, is but contingently mentioned in their records, it being held to be merely a station at which ships touched for refreshment, and noticed only, when either the constitution, or the administration of it, required alteration.

At the close of this season, we find, agreeably to the constitution of its government, since its acquisition by the Company, that the Governor of St. Helena, was, also, Captain of the company of soldiers which formed its garrison, and Captain Stephen Poirier, who was, this year, appointed Governor, was directed (probably from the sedition which had occurred in 1693-94) to take care, that no inhabitant of the Island should be allowed to wear a sword, under a penalty, with the exception of military officers, and soldiers, when on duty;—that, to preserve the Island, it was to be held as a station for shipping, only, but not for trade; all Company's officers, stationed at St. Helena, were, therefore, prohibited from buying any East-India goods, except on the Company's account; and rates were settled, at which fresh beef was to be furnished to the shipping, the Company's ships to pay twenty shillings, and all other vessels, twenty-eight shillings per hundred weight:—the distillation of arrack having exhausted the fire-wood on the Island, spirits of this kind were, in future, to

(1)—Letters from the Court to the President and Council at Bengal, 26th August and 28th October 1698.

CHAP. III. 1698-99. to pay a duty, at the rate of four-pence per gallon, for the wood consumed in this manufacture.(1)

The convulsed state of the Mogul Government renders the application for Phirmaunds a less important object.

The events which occurred in the Company's foreign Settlements, during this season (1698-99), exhibit, at BOMBAY and at SURAT, the same uncertainty, as in the last year, respecting the Phirmaund which they had been soliciting from the Mogul, and the nearer approach of civil wars in the Empire, rendered Phirmaunds an object of less consequence, because, if obtained, compliance with them had become dependent on the will of the different Governors, who, from the state of public affairs, were becoming partizans of such of the Emperor's sons as over-awed the Provinces, in which their governments were situated; —the expences, thus, of the Company, were doubled, by the charges attending the application for the Phirmaund, and by the bribes which they were constantly compelled to pay to the Native Governors, to ward off the evils to which every depredation of the pirates exposed the property of the Company, and the lives of their servants:—hence the events at Surat, and on the West coast of India, in this season, consisted of the distresses of the Settlements and Factories, occasioned by the pirates, offending, equally, the Mogul and the Governor of Surat, and bringing

(1)—Letter from the Court of the London Company to the Governor and Council of the Island of St. Helena, 15th December 1698.

CHAP. III.
1698-99.

bringing the vengeance of the one, and the extortions of the other, on the Company, who were considered to be responsible for depredations, which they had neither the power to prevent, nor the means to remedy.

To give a view of the extent of those dangers, it is necessary, only, to enumerate the atrocious acts of piracy, committed in this season, and the effects of them on the Company's trade at Bombay, Surat, and their dependencies, connecting, with those acts, the conduct of the Dutch and French, proceeding from selfish and insidious motives.

Captain Kidd forms the pirates into squadrons, and blockades both coasts of the Peninsula.

Early in the season, the Company's ship, Dorrell, consigned to China, after meeting with a pirate, (the Mocha Frigate,) which she engaged off Malacca, had been obliged by her crew to put into Acheen, the force of the ship not being equal to a second engagement with the pirate. The following is stated to be the strength of the pirates in those seas, in the month of April 1698; the Adventure Galley, commanded by Kidd, mounting thirty guns, with two hundred men, and rowing thirty oars, and the Mocha Frigate, of equal force. Kidd's success, in taking the ship Quedah Merchant, bound from Bengal to Surat, with a cargo estimated at four lacks of rupees, we shall immediately find, not only occasioned new troubles to the Presidency of Surat, but enabled him, and the other pirates, to form squadrons, which blockaded the trade on the West and East coasts of India:—Kidd manned his prize with Europeans, and kept cruising between Cape Comorin and Quiloan, while the Mocha Frigate, with her consort, cruised between Acheen and the

CHAP. III.
1698-99.

the Straits of Malacca. As the season advanced, the number of these depredators encreased, for they had three ships on the Malabar Coast, one mounting fifty-six, one forty, and a third, thirty guns, and, at the close of the season, consisted of five sail;—a force which began to alarm Sir John Gayer, for the safety of the Company's ships, and compelled him to report to the Court, that till some effectual means could be devised for destroying them, trade, of every description, must be at a stand.

Looking, therefore, at this external force, which endangered the navigation of the Company's ships, and at the blame which was attached to the Presidency of Surat, and to the English in general, of being the authors of the piracies, or of not having taken measures for preventing them, we are prepared to expect the violence and unreasonable demands of the Mogul, and the Governor of Surat, for reparation.

The Mogul lays an embargo on Surat, till compensation for losses from the pirates should be paid.

The expedient of offering convoys to the Mogul ships going to Mocha was again resorted to, but the Governor of Surat refused to pay the freight of the ships:—the Dutch had employed two vessels, each of forty guns, on this service, and the English proposed the same number, but one, only, was accepted:—notwithstanding these services, the Governor of Surat, when information reached him of the capture of the Quedah Merchant, threatened, a second time, to lay an embargo on all trade at the Port; nor was this threat long suspended, for an order came from the Mogul, on the 1st January 1698-99, directing

CHAP. III. 1698-99.

directing the Governor to require the three European Nations to be responsible for the piracies, and, on the following day, guards were placed on the English, French, and Dutch Factories, and the inhabitants of Surat prohibited from any communication with them: the consequences of this order were, that all their Mahomedan servants left them, and the creditors of the three Factories were required to give in an account to the Governor, of all debts owing to them, by Europeans.

The Dutch and French endeavoured to evade these orders, by throwing the whole odium on the English, as the pirates were of that nation; an accusation, however, which the Governor rejected, and required an obligation from the three nations, to pay fourteen lacks of rupees, as a compensation for the damages sustained, including the loss of the Quedah Merchant.

The Dutch, at first, refused to pay any part of this demand, and desired permission to leave the town in eight days, to which the Governor agreed; but required, that not only they, but the French and English, should clear off all their debts, by their respective brokers, before they left Surat:—in this situation, the Dutch and French were ordered to give security for all damages from the pirates, and the English, as the payment for the convoy to Mocha had been refused by the Governor, expected the like treatment.

Sir John Gayer compelled (with the French

Sir John Gayer, on receiving intelligence of the perilous circumstances of the Company's Factory and servants at Surat, sailed

CHAP. III. 1698-99.

and Dutch) to give Security Bonds to this effect.

sailed from Bombay, with the Company's ships, Mary and Thomas, Josia Ketch, and Benjamin Yacht, and arrived off Swally, on the 11th January 1698-99. On the following day, he gave instructions to the President, to inform the Governor that he was resolved neither to pay the English proportion of the fourteen lacks of rupees, nor would give security against the pirates; but, at the same time, intimated, that he was ready to furnish a sufficient convoy to the Mogul ships, intended for Mocha, and that the King of England had sent out a fleet of men of war, to extirpate the pirates from the Indian Seas. This refusal, and the presence of the fleet, induced the Governor of Surat to offer to overlook what was passed, if the English would give security to make good all future robberies by the pirates :—Sir John Gayer, in reply, proposed to send two of the Company's ships down the Malabar Coast, on this service, provided permission should be given to the Factory, to send the indigo on board the ships. A temporizing negotiation, it was soon discovered, could not produce any abatement in the rigour of the Mogul's order; the English Presidency, therefore, together with the French and Dutch, were, at last, compelled to sign an Obligation, or Security Bond, for payment of the losses sustained by any depredations which the pirates might, in future, commit; and it was fortunate that this demand, however hard, was complied with, for, when information of it reached the Mogul, he reversed an order, which he had just issued, for putting a final embargo on the trade of all the Europeans, in his dominions.

It

CHAP. III. 1698-99.

Stations assigned to the English, Dutch, and French squadrons, to clear the seas of the pirates.

It now became expedient to assign distinct stations to the squadrons of the European ships, which were to cruise against the pirates in the Indian Seas; but this measure could not be acted on, till large presents were made to the Governor of Surat;— The protection of the Red Sea was assigned to the Dutch, who were to pay seventy thousand rupees to the Governor; and three Dutch ships were, accordingly, sent to convoy the Mocha fleet: —to the French, was given the station of the Persian Gulf, and, in like manner, they were to pay, from twenty-five to thirty thousand rupees;—to the English were entrusted what were termed the Southern Indian Seas, with a collateral security, by their brokers, for the performance of this service, and the payment of thirty thousand rupees. As if these hard circumstances had not been sufficient, the General was distressed, by the refusal of the captains of the Company's ships to act as convoys, on the pretext that they had not a commission, empowering them to attack the pirates; he was, therefore, obliged to hire, equip, and man country vessels for this duty.

Critical situation of Bombay, and the Factories on the Malabar Coast, at this time.

In this situation, the events affecting the Company's affairs at Bombay and Surat were, necessarily, few. President Annesley had been dismissed, under the Court's orders, and Mr. Colt appointed President of Surat. At Bombay, though the castle could be defended against any attack, the garrison was not equal to protect the Island against the Mogul's troops, and the charges of maintaining a force for this service, exceeded what the Island was worth. The dependencies on Bombay were rather in a better situation, as

 the

CHAP. III. 1698-99.

the fortifications at Anjengo had appeared of such consequence to the Dutch, that they had withdrawn their forces and Factories from Quiloan, Cochin, and Cananore:—it was hoped, that this change would facilitate the acquisition of Malabar pepper, and other goods furnished on that Coast for the investment. The French, at this crisis, assisted Mr. Lucas, of the Mary Interloper, at Surat, to dispose of his cargo, to purchase an investment, and to procure a freight for Persia; and the Dutch, from being jealous of the French, refused to re-deliver Pollicherry, on the pretext that they had not, as yet, received orders from the Governor General of Batavia.(1)

The Persian Phirmaunds enable the English to recover the arrears of customs, and procure a quantity of silk.

The acquisition of the "Ahtnama," or Phirmaund, and the "Rogoms" attached to it, in the preceding season, prepares us to look for the effects of both, on the Company's rights and trade, in Persia. The privileges of trade appear chiefly to have been obstructed by the Dutch, with whom the Agent was afraid of entering into any open dispute, till such time as the arrears of customs should be paid up; for he foresaw, that both the Court, and the Shahbunder, would readily lay hold of any circumstance to postpone the payment:—in this caution he was justified by the event, for, in January 1698-99,

(1)—Letters from the General and Council at Bombay to the Court, 10th and 26th April, 22d and 28th May, 15th November 1698, and 23d March 1698-99.—— Letters from the President and Council at Surat to the Court, 6th May 1698, 12th January and 11th March 1698-99.—— Correspondence between Sir John Gayer and the President of Surat, 2d, 4th, 5th, 6th, 9th, 11th, 12th, 13th and 14th January 1698-99.—— Copy of the Mogul's order for stopping trade at the port of Surat, December 1698-99.

1698-99, after surmounting many difficulties, (that is, submitting to the payment of many bribes,) he obtained an order from the King to the Shahbunder, for the regular payment of the Company's share of customs at Gombroon, and also the year's customs up to March 1698-99, and entertained the hope of receiving the arrears, in silk or money:—the arrears, in part, were paid, by a considerable quantity of fine silk, and an application was made for the payment of the remainder, in money; as soon, however, as the Dutch heard of the payment in silk, they made an application to the King, asserting that such payment was contrary to the contract with their nation, by which the whole of the silk to be exported by sea, had been assigned to them:—the effect of this application is not specified, at the close of the Persian correspondence of this season.

CHAP. III. 1698-99.

The Armenians in Persia again unfaithful to their engagements.

The confidence which the Company had reposed in the Armenians, was, this year, again found to have been misplaced; for though an agreement had been made with the shop-keepers of that nation, for the sale of all the broad-cloth imported this season, yet when security for the payment was demanded, the contract was broken off, and the Agents left to find such markets as they could, for the sale of an article, which the Company were under an obligation to export.[1]

First effects of the intelligence respecting the the English

The affairs of the Company at FORT ST. GEORGE, and on the COROMANDEL COAST, this season, did not experience any improvement, because the wars between the Mogul and the Mahrattas, still

(1)—Letters from the Agents and Councils at Gombroon and Ispahan to the Court, 20th, 21st and 28th December 1698, 13th and 15th January, 5th and 7th March 1698-99.

CHAP. III. 1698-99.

Company on the Presidency of Fort St. George.

still continued to desolate the country, and because this Presidency, on receiving intelligence of the establishment of a new East-India Company in England, hesitated in forming the investment. This event produced in them, the same sensations as it had done on the Court, for, on consultation, they were satisfied, that the existence of two English Companies would produce the greatest confusion, and should the Act not be repealed, or an Union of the two Companies not take place, the trade would probably be lost to the English nation; but they assured the Court, that they would employ their best endeavours for the Company's interest, and dispatched the Martha, a full ship, for Europe, with a cargo estimated at 118,700 pagodas, having on board a parcel of diamonds worth thirty thousand pagodas, and were in expectation of being able to provide three thousand bales of Coast goods, for the ships of the ensuing season.(1)

Nishân granted by the Prince for the town of Chutanuttee and adjacent lands.

The only alteration in the state of the Company's affairs in BENGAL, this season, appears to have been, that the Agent had received a Nishân from the Prince, for a settlement of the Company's rights at CHUTANUTTEE, on the basis of which they had rented the three adjoining towns, and were in expectation that the revenue, from Chutanuttee itself, and from those farms, would defray the charges of the small garrison required for the protection of the Factory. This intelligence is collected from a communication made by the Agent in Bengal, to Sir John Gayer, at Bombay; but it was not accompanied with a notice of the

(1)—Letter from the President and Council of Fort St. George to the Court, 22d February 1698-99.

CHAP. III. 1698-99.

the amount of the shipping, or of the investment, and it is not improbable that this defect was owing to the Agent, Mr. Eyre, having sailed for England, and the report being left to his personal communications with the Court. Mr. Eyre was succeeded by Mr. Beard, who had ineffectually tried to exclude the Gloster Interloper, from the Bengal trade, but this ship sailed for England, on the 27th January 1698-99, although a large sum had been offered for the goods with which she was laden.(1)

In closing the account of the events of this memorable year, it is only necessary to remark, that no intelligence, direct or indirect, had been received from the Settlement at BENCOOLEN, or the Factories on the Coast of Sumatra.

ENGLISH COMPANY.

Recapitulation of the Act, constituting the English East-India Company.

Having detailed the events which marked the progress of the Act of Parliament, empowering the Crown to establish the *General Society for trade to the East-Indies*, as well as those which produced the Letters Patent, constituting *The English East-India Company;* and having marked the effects which these events had, not only on the proceedings of the Courts of Committees

(1)—Letter from the Agent at Bengal to Sir John Gayer at Bombay, 22d February 1698-99.

CHAP. III. 1698-99. Committees and Proprietors of *The London Company*, but on the instructions which they framed for their foreign Settlements, to preserve their rights and trade, and to strengthen (if possible) their relations with the Country Powers, we have now to follow the proceedings of *The English Company*, on commencing their business.

The English East-India Company commenced their progress by appointing Agents to proceed to the East-Indies, to establish stations or Factories, and to lay the foundation of a new and broader system of commerce, between England and the countries within their limits, which were precisely the same with those assigned to the Old, or London East-India Company.

Their Court of Directors copy the constitution of the London East-India Company.

The first remarkable circumstance in the home proceedings of the English Company, (established with the avowed object of introducing a new system for Indian affairs,) was, that, in the formation of their Court of Directors, they fixed on the same number of persons, with the same qualifications, as those which constituted the Court of Committees of the London Company: —the next circumstance which, on perusal of their Charter, must appear singular, was, that some of their Directors were old servants of the London Company, who had been dismissed and disgraced, but who were now to employ their local knowledge, and the fortunes which they had accumulated in the service of the London Company, to support a rival Association, the object of which was to overset their former masters, and to substitute themselves in their place:—a third remarkable circumstance was, the choice they made of the Agents and Councils, who

CHAP. III. 1698-99.

who were to administer their affairs, at such stations in India as they might be able to settle, to manage the sales of exports, and to provide investments:—these Agents received general instructions, to collect information respecting the political situation, and commercial measures of the London Company.

Sir William Norris appointed Ambassador to the Mogul, and the Presidents of the English Company vested with the rank of King's Consuls for the English nation.

Sir William Norris was appointed, by the King's commission, Ambassador of the English nation to the Court of the Mogul, that by this means the error of the London Company might be avoided, which (except in the instance of Sir Thomas Roe, in the reign of King James I.) had only sent commercial Agents, as Envoys, to the Courts of the Indian Sovereigns. The object of this mission was to solicit Phirmaunds, or privileges, for the English nation, and to render the English Company its representative in the East-Indies.

Among the presents intended by the English Company for the Mogul, they wished to include a small train of brass artillery, and, requested, by petition to the King, that they might be furnished by the Board of Ordnance with this article:—the petition was referred to the Board, which reported, "that they did not "know how far it might be justifiable to furnish foreigners with "a train of artillery, which possibly, at one time or another, "may be made use of against His Majesty's subjects." (1)

The Presidents of the English Company, appointed for the projected stations in India, were vested with the character of

(1)—Petition of the English Company to the King, for a train of brass ordnance, to present to the Mogul, and Report of the Board of Ordnance on this Petition, 14th December 1698. (East-India Papers in the State Paper Office, part. ii, No. 26, 27).

CHAP. III. 1698-99. of King's Consuls for the English nation, that they might assume a more public rank than the Presidents of the London Company could possess.

Having adopted this general plan, it is material to follow the Court of Directors, in their selection of the persons who were to administer their affairs, at the stations at which they intended to fix seats of trade, which were precisely the same with those of the London Company, or in BENGAL, on the COAST of COROMANDEL, and at SURAT.

The general instructions framed for the conduct of the Presidents and Councils of the English Company, were, to establish seats of trade, to commence the sales of exports, and to collect investments:—the substance of these instructions, addressed to the President and Council, intended for Bengal, will serve as a specimen of those given for the Coromandel Coast, and for those which were more immediately to interfere with the London Company's chief seat of trade at Surat.

Sir Edward Littleton appointed Consul and President in Bengal.

The general instructions given to Sir Edward Littleton, appointed President and Consul of the English Company's affairs in the BAY of BENGAL,(1) were, that besides his character

(1)—The suspicion inseparable from a Court, formed as the Court of Directors of the English Company were, of the persons whom they were to entrust with their foreign interests (a suspicion, strengthened by their employing so many persons who had been dismissed the London Company's service) manifested itself in this appointment, before Sir Edward Littleton left England. From his postponing his sailing from the Downs, when the wind was fair, the Court, on the 2d February 1698-99, dismissed him from their service, and appointed Mr. Richard Trenchfield to be President in Bengal, on the presumption that, if Sir Edward Littleton was negligent before he left England, he would not be less so, on his arrival in India;

racter of President, he was also to assume that of King's Consul, for the English nation, in that part of India, and to open a confidential intercourse with Sir William Norris, employed (the Company paying the expences) as the King's Ambassador to the Mogul, at a salary of £2000 per annum:—the separate instructions to the Ambassador were also general, or that he was to open a negotiation, between the King and the Mogul, for obtaining protection and privileges for the English Company, and to be guided, in his applications for Phirmaunds and privileges, by such information as he might receive from Sir Edward Littleton and his Council. This Council consisted of Mr. Richard Trenchfield, Mr. Hedges, and Mr. George Guy, with powers to the President to make such additions to this number, as he might consider to be necessary. CHAP. III. 1698-99.

To promote the great object of the embassy, Sir Edward Littleton and his Council were to investigate the nature and extent of the privileges which the London Company had, hitherto, possessed in Bengal, to make translations of all Phirmaunds which they enjoyed, and to transmit them to Sir William Norris, with any observations which might occur to them, in Council, on the subject of such farther privileges as it would be expedient to solicit:—He was, also, to make a particular report on the rights and trade of the London Company,

 and

India; but, scarcely had this dismission been intimated, when, on the 7th February 1698-99, at the intercession of his friends, it was revoked, and his original appointment confirmed. (Letters from the Court of the English Company to Sir Edward Littleton, 2d and 7th February 1698-99).

CHAP. III. 1698-99. and to transmit one copy to the Ambassador, and another to the Court of Directors; but he was to take care (as the London Company were to cease and determine in three years) to avoid, in every instance, entangling himself, either with their engagements or debts, recollecting that this termination of the London Company was, in a measure, fixed, for they had applied to Parliament to be exempted from the five per cent. duty, but the bill for this purpose had been thrown out.

Rank, salaries, and privileges of the servants of the English Company.

Having thus given general instructions to Sir Edward Littleton, and his Council, the Court settled the rank and salaries of their servants, who were to act under him; Merchants were to have £60, salary, Factors £40, and Writers £20 per annum:—the promotion to these ranks was to proceed by seniority; and Writers of five years standing to become Factors, and Factors, after five years service, to become Merchants;—the salaries were to be paid at the rate of two shillings and six-pence per rupee. These servants, though they had liberty to carry on private trade, from port to port, at such stations as might be acquired by the Company, were prohibited from renting farms, on their own account, and from intermarrying with the Natives:—they were, however, to have permission to send diamonds to England, upon payment of five per cent. *ad valorem*, to the Company, and a duty of five per cent. to the King.

The commercial instructions ordered, that the President and Council were to endeavour to establish Factories at Hughly, Cossimbuzar, Ballasore, Dacca, and Malda, and to make

make the investment as large as possible, in raw-silk, pepper, long pepper, and drugs; and in China and Japan goods.

CHAP. III. 1698-99.

The first equipments of the English Company, consisted of three ships; the London, with a stock estimated at £65,000, and the De Grave, with £50,000, both for Coast and Bay, and the Antelope, with £63,000, for Bengal direct.(1)

Their first equipments and stock for Coast and Bay.

The instructions of the Court to Mr. John Pitt (the Interloper, so frequently mentioned in the Annals of the London Company) who was appointed President of all the English Company's Settlements on the Coast of Coromandel, and the King's Consul for the English nation, in that part of India, were, in their spirit and letter, nearly the same with those which have been specified for Bengal:—his Council were, Mr. John Graham, Mr. Valentine Knightley, Mr. William Tillard, and Mr. Michael Watts:—the limits of this Presidency were described to extend from Cape Comorin to Point Palmiras, and the residence of the President and Council was to be at Madapollam:—a Factory also was to be established at Porto Novo, of which Mr. Charles Fleetwood (who had been dismissed by the London Company, for embezzling their property, when Agent at Bencoolen) was appointed Chief; but what marks, more strongly, if possible, than even this choice, the determination of the English

Mr. John Pitt appointed President and Consul for the Coast of Coromandel, and his instructions.

(1)—Commission and Instructions from the Court of Directors of the English Company to Sir Edward Littleton, President, and the Council in Bengal, 12th January 1698-99. —— Letters from the Court to the President and Council in Bengal, 16th January, 25th February 1698-99, and 4th April 1699.

CHAP. III. 1698-99. English Company to take into their service such of the London Company's servants as had been dismissed for breach of duty, was a particular instruction to Consul Pitt, to endeavour to procure from Mr. Elihu Yale, late President of Fort St. George, copies of all Phirmaunds, or Nishâns, granted to the London Company, on the Coast of Coromandel, and to transmit them to Sir William Norris, as the ground of his application to the Mogul, for new Phirmaunds, or privileges, to the English Company. (1)

A settlement to be formed on the Island of Borneo.

As the Dutch occupied Java, and the London Company had Bencoolen, and engrossed the trade in pepper at Sumatra, and as the Coromandel Coast had, hitherto, been considered to be the station at which goods, proper for the markets in the China Seas, could be obtained, the ship Julia, Captain Cotesworth, having on board Mr. Henry Watson as Chief, and Mr. Tooley, Mr. Rodgett, Mr. Joyner, and Mr. Mosely, as Council, was to proceed from England, and attempt a Settlement on the Island of BORNEO. The object was to obtain pepper, and such produce as, in the first instance, would be suited to the Coromandel Coast trade; —if the pepper could not be procured, they were to attempt an exchange of silver, for gold, drugs, and wax:—letters were addressed to the Kings of Banjar-Massin, and Succadania, praying their protection for a Factory and trade:—the ship Julia was

(1)—Commission and Instructions from the Court of the English Company to President Pitt and Council on the Coast of Coromandel, 23d February 1699.—— Letters from the Court to the President and Council on the Coast of Coromandel, 6th January, 23d and 28th February 1698-99.

CHAP. III. 1698-99.

was to proceed to the Coast, to obtain goods proper for this new Settlement, and then to return to Borneo for pepper; but if the scheme should not answer, she was to take in goods at Acheen and Malacca, with which she was to go to Mocha, and procure a lading of coffee, &c., and return from thence to Europe. (1)

Sir Nicholas Waite appointed President and Consul at Surat, and his instructions.

The instructions of the Court to Sir Nicholas Waite, appointed President at SURAT (who received the honour of knighthood on the occasion, but who had been the London Company's Agent at Bantam, and dismissed their service) were, in substance, nearly the same with those to the Presidents in Bengal, and on the Coast:—his Council was to consist of five; the first of whom, next the President, (or the Second in Council,) was to be either Mr. Stanley, Mr. Annesley, or Mr. Vaux, all of whom had been dismissed the London Company's service, provided they had got clear of their old connexion; the third was Mr. Benjamin Mewse, the fourth Mr. Bonnel (a noted Interloper), and the fifth Mr. Chidley Brooke:—under them were appointed three Merchants, three Factors, and eighteen Writers, with similar ranks and salaries as those specified for Bengal and the Coast; the President, however, was empowered to appoint an additional Factor, at each of the stations on the Malabar Coast, at which he might fix Settlements.

The

(1)—Letter from the Court to the President and Council at the Coast of Coromandel, 4th April 1699.—— Letter from the Court to the Kings of Banjar-Massin and Succadania, 13th April 1699.—— Instructions from the Court to Mr. Henry Watson and Council, for forming a Settlement on the Island of Borneo, 11th April 1699.

CHAP. III.
1698-99.
Sir Nicholas Waite authorized to advance £20,000, to Sir William Norris.

The English Company appear early to have been apprehensive, that the expences of the embassy would be considerable, for they authorized Sir Nicholas Waite to advance £20,000 to the Ambassador, but expressed a hope, that the charges would not amount to a greater sum; for, with this fund, they trusted, he would be able to procure extensive privileges, and that his negotiation would be speedily terminated.

Equipments and stock consigned to Surat.

The equipments destined for SURAT were, the Montague, with a stock estimated at £40,000 in silver, and £7,700 in goods; and another ship, the name or invoice of which is not specified. (1)

Such, under their Charter and privileges, were the measures and the instructions to their Agents, with which the English Company proposed to open a direct trade, within the limits of the London Company.

(1)—Commission and Instructions from the Court of Directors of the English Company to Sir Nicholas Waite and Council at Surat, 4th and 5th April 1699.

1699-1700.

LONDON COMPANY.

CHAP. III.
1699-1700.
Comparative situation of the London and English East-India Companies.

In the last season, we had to review the legal, yet ineffectual applications, of what must, in future, be denominated *The London Company*, who offered to advance £700,000, at four per cent., to the public, and pleaded to Parliament their exertions, for almost a century, under difficulties, at home and abroad, which had been surmounted by their Joint Stock and established credit:—we had, next, to unfold the events which obliged the London Company to submit, not only to the refusal of their offer, and inattention to their claims, but to have a rival Company, because they proposed to advance two millions to the public, at eight per cent., established on those constitutional grounds, which they had, in vain, solicited;—we had, also, to contrast the administration of the English Company, with that of the London Company, and to see them employing, in many instances, as their principal Agents, the dismissed servants of the London Company, to whose fidelity they trusted, though they had broken their covenants with their old masters; assigning, as a reason for this choice, that they possessed local knowledge, and felt revenge, which might stimulate them to exertion.

CHAP. III.

1699-1700.

Financial and commercial measures of the London Company, to preserve their credit and trade.

The London Company, instead of being intimidated by the powers with which the English Company were vested, increased their equipments and stock, and resolutely determined, not only to avail themselves of the privileges which they still enjoyed, but to trade (after Michaelmas 1701) on that portion of the English Company's stock, for which they had subscribed, as a Corporation, and thus retain the rights and privileges which they had purchased and acquired:—By this decided conduct, they hoped to convince the nation, that it would receive a more profitable trade through an Old established Company, than from a New Company, however plausible the speculation might appear. The English Company, after having made three advances in the payment of their Subscriptions, found their stock depressed in price, and the public opinion of their credit beginning to waver, and therefore, made the first approaches to the London Company, for a Coalition, or Union of stock and trade; an offer which the London Company prudently declined, that the depreciation of the stock of the English Company might become more public, and that an Union might arise out of the effects of an impracticable speculation, rather than from fears of a disastrous issue in the struggle.

The overtures of the English Company for an Union rejected by the London Company.

In the short space of two months, after Mr. Papillon had made those approaches, on behalf of the English Company, for a Coalition, which the London Company rejected; frequent meetings were held, between persons deputed by both Companies, for the purpose of concerting measures for an

Union :—

Union:—the first demands of both parties were so extravagant, that the plan was relinquished. The English Company finding, after the advance of £50 per cent. on the £2,000,000, and £20 per cent. for their equipments, or £70 in the whole, that their stock would only sell for £57, became sensible, that their speculation was on the decline, and proposed that the London Company should accept of as much stock, in addition to the £315,000 which they had subscribed for, as would make up their proportion to £1,000,000:—this proposal the London Company rejected, on the ground, that their Charter still preserved to them their privileges, till September 1701, and that, whatever might be the result, their share of £315,000 in the new stock would be sufficient, (independently of competition,) to enable them to export as much British produce, as could be sold in the Indian markets.(1) This refusal produced new approaches, by the English Company, to a Coalition:—as the London Company had refused to lend any aid in supporting their credit, they determined to make a bold effort, and call on their subscribers for a payment of £25 per cent., for trade, on their stock of £1,663,000 (or what they possessed, exclusive of the stock purchased by the London Company, and remaining to individuals of the General Society) although they had not, as yet, actually sent abroad more than £200,000:—the payments now amounted to £95 per cent., but the stock had proportionably decreased in value in the market, below what it was, when their payments

CHAP. III. 1699-1700.

2 P 2 were

(1)—Letter from the Court to the General and Council at Bombay, 5th May 1699.

CHAP. III.
1699-1700.

were £70 per cent. only, that is £95 per cent. sold (in July 1699) for £74 only. (1)

Instructions to their foreign Settlements, to prevent their being intimidated by the establishment of the English Company.

While the struggle was in this situation, the Court received information of the alarm which their foreign Settlements had taken, on hearing of the establishment of the English Company; an alarm natural to men living at a distance, and not fully informed, either of the capacity of their superiors to support, or of their enemies to depress them;—on this occasion, therefore, the Court recommended to them the same active and public conduct which they, themselves, had manifested, and that besides the amount which they had subscribed in the New Stock, they had, last year, sent stock, estimated at above £600,000, and would continue to send large funds annually, and, therefore, trusted, that their servants ought not to be dismayed by such events, which they described, "as a blustering "storm, which was so far from tearing them up, that it only a "little shook the roots, and made them thereby take the better "hold, and grow the firmer, and flourish the faster." (2)

London Company obtain an Act of Parliament for continuing them a Corporation.

This advice and resolution the Court followed up, as the season advanced, for, on the 19th January 1699-1700, they presented a petition to the House of Commons, stating the hardship of their case, and praying to be continued a Corporation

(1)—Letter from the Court to the General and Council at Bombay, 28th July 1699.
—— Minutes of the Court of the London Company, and representation of the English Company to the King, on their proposals for an Union being rejected by the London Company, February and March 1699-1700. (East-India Papers in the State Paper Office, Part ii. No. 138, 139, 140.)

(2)—Letter from the Court to the Agent and Council at Ispahan, 2d August 1699.

CHAP. III.
1699-1700.

tion; leave was given to Sir Thomas Cooke, the Governor, and the other Committees, who were Members of Parliament, to prepare and bring in a Bill for that purpose, which passed the House of Commons;—on the 23d February 1699-1700, it was read a third time, and passed the House of Lords; and, agreeably to the custom of the time, when a Bill of a private nature had passed both Houses, the parties prayed for permission to attend the King, (a practice respectful to the Sovereign, and publicly marking his power, as a Third Estate in the realm) to request that His Majesty would be graciously pleased to give it his Royal Assent.

The King recommends an Union of the two Companies.

Permission was, accordingly, given to the London Company, to attend His Majesty, and on the 8th of March 1699-1700, the Governor and Committees, with about one hundred Proprietors, accompanied by the Lord Mayor, Sheriffs, and ten of the Aldermen of London, obtained an audience of His Majesty at Kensington, at which the King was pleased to assure them of his favor and protection, and recommended an Union of the two Companies to their serious consideration, as it was his opinion, "that it would be most for the interest of the India trade."

On the 13th March, the London Company, after having called a General Court of the Adventurers, to take into consideration the recommendation of His Majesty, of the expediency of an Union with the English Company, presented a petition to the King, stating that they could have no security for their estates or debts, either in India or Europe, and knew not how to make or receive proposals, while they continued uncertain

CHAP. III. 1699-1700.

uncertain whether they were to be continued as a Corporation, or not.

In consequence of this explanation, it appears that the King was disposed to remove the difficulty; for, on the 11th April 1700, the Act "for continuing the Governor and Company of Merchants of London trading to the East-Indies, a Corporation, until the redemption of the two millions advanced by the English Company" received the Royal Assent,[1]

The opinion of the Court, on the effect of this Act, conveyed to the President and Council of Fort St. George, was, "that it secured their foundation, as they were established by an Act of Parliament, and that they would exert a new vigour, now they were delivered from all their embarrassments, and could call their estate their own." To place their prosperity in contrast with that of the English Company, the Court informed their President at Fort St George, that their stock now sold at £140 per cent.[2]

Effect of the Act for prohibiting the importation of silks and calicoes on the London Company's instructions.

Notwithstanding the London Company were, by this Act, continued a Corporation, their trade was affected by an Act which had passed, in this season, intitled "an Act for laying further duties upon wrought silks, muslin, and some other commodities of the East-Indies," which imposed an additional

(1)—East-India Acts (printed 1786), page 39.

(2)—Letters from the Court to the President and Council of Fort St. George, 20th and 25th January, 23d February, and 16th March 1699-1700.—— Representation of the London East-India Company to His Majesty, relative to their being continued a Corporation, 13th March 1699-1700.—— (East-India Papers in the State Paper Office, Part ii. No. 41).—— Letter from the Court to the President and Council of Fort St. George, 11th April 1700.

tional duty of £15 per cent. on "wrought silks, Bengalls, "and stuffs mixed with silk, or herba, of the manufacture "of Persia, China, or the East-Indies, and all calicoes, "painted, dyed, printed, or stained there, that were not "made up, or used, before Michaelmas 1701:"—the Court, therefore, directed their foreign Governments, that such quantities of the above goods as they might have provided, should be put on board the ships to be first dispatched for England, that they might arrive before the period above specified, as otherwise they could not be sold in England, but must be re-exported.(1)

CHAP. III. 1699-1700.

Equipments and stock of the London Company for this season.

Having traced the home transactions of the London Company, struggling for, and, at last, successfully obtaining the protection of the Legislature, we have, before examining their separate instructions to each of their Presidencies in India, to state the amount of their equipments and stock for this season.

The ships, for this season, were twelve in number, and the stock was estimated at £541,000, *viz.* for Bombay, the King William and the Howland, with £100,000; for the Coast and Bay of Bengal, the Chambers' Frigate, the Fame, the Anna, and the Colchester, with £200,000; for Surat, the Loyal Merchant, the Tavistock, and the Martha, with £154,700; for China, the Wentworth and the Dorrel, with £80,000; and for Bencoolen, the Madras, with £6,300. The funds, for this large equipment and stock, the Court specified to be, the produce of their

(1)—East-India Acts (printed 1786), page 31.—— Letter from the Court to the President and Council of Fort St. George, 6th March 1699-1700.

CHAP. III. 1699-1700.

their sales, since June 1699, which amounted to £782,630, and the money expected to arise from the sales of the ensuing March, which was estimated at £234,000; besides which, a call of twenty per cent. had been made on the Adventurers, on "bottomree," at three per cent. premium, and one per cent. prompt payment, on the 31st March 1701.(1)

Public instructions to Sir John Gayer, for Bombay and Surat.

The instructions to Sir John Gayer, at BOMBAY, and the President and Council at SURAT, are drawn partly from the events which have been detailed, as applicable to the Company's rights, and partly from the information which had been received, respecting the occurrences at those stations: —after stating, that the particular orders which had been given to Sir William Norris, the Ambassador from the English Company to the Mogul, had been kept secret, and that all the Court could obtain, was an assurance, that he had no authority to act to the prejudice of the London Company, the agreement made with the Mogul, to furnish convoys to his ships, carrying pilgrims to Mocha, was approved of, with a recommendation that a time should be fixed with the Governor of Surat, for the sailing of this convoy, as, otherwise, the expence of demorage would be greater, than any profits of freight which could be realized;—and, in making this application, the President was directed to explain, that the Company's ships had been furnished with commissions, to make prizes of all pirates they might meet with, in the Indian Seas. It was next recommended, that though,

(1)—Letter from the Court to the President and Council at Fort St. George, 21st November 1699.

though, under the present relaxed state of the Mogul Government, and from the character of the Governor of Surat, the President and Council must yield to frequent extortions, yet that a regular and strict account should be kept of the sums paid, because, in the event of a better state of affairs, or of the Company being placed in a situation to recover their privileges, this money might not altogether be lost, but be stated as damages, for which an equitable compensation might be required:—it was, also, recommended, in return for the thirty thousand rupees, paid as tribute to this Governor, at the time the Dutch and French made their payments, that new privileges ought to be solicited, and, particularly, that a place should be assigned to the Company in the mint, to enable them to coin their bullion. To these instructions are subjoined a disapprobation of the Surat accounts, as the Court had expected a surplus fund would have remained in that treasury.

Separate instructions to Sir John Gayer.

The separate instructions to Sir John Gayer explained that the reason for appointing President Pitt, and vesting him, for twelve months, with an independent power at Fort St. George, was, that the state of affairs, at that Presidency, required a person of a decided character, to prevent those quarrels which had continued, by appeals being left open to the General;—a re-inforcement of two hundred soldiers were to be embarked for the garrison, by the first fleet, and twenty would proceed on the last ship of the season.

 From

CHAP. III.
1699-1700.

From its being of importance to ensure the pepper trade on the Malabar Coast, Sir John Gayer was vested with discretionary powers to complete the fortifications at Anjengo; but, the Court wished the expences at Carwar to be reduced. (1)

The orders to the Agents in Persia founded on the Phirmaunds obtained in the preceding season.

The late renewal of a Phirmaund, in PERSIA, which placed the Company's rights and trade, in that kingdom, on a broader basis than they had rested at any former period, rendered the instructions of the preceding season narrow, and directed only to particular points, in the customs, and in the trade:—in a similar manner, the instructions of this season are confined to the same objects, there being no evidence before the Court, of the interferences of the Agents of the English Company, which, could, in any degree, disturb either the Phirmaunds, or embarrass the commerce, in a quarter in which the Court hoped, the obligation into which they had entered, of exporting, annually, a large proportion of English cloths, would be fulfilled.

After informing the Agent at Ispahan, that the Court depended much on the commercial services of Doud, the broker, whom they had so handsomely rewarded, they recommended, that he should endeavour to put into a regular and permanent train of payment, the now recognized customs at Gombroon, and approved of his taking proportions of silk, and of money, in payment

(1)—Letters from the Court to the General and Council at Bombay, 5th May, and 28th July 1699.—— Letter from the Court to Sir John Gayer (private) 28th July 1699. —— Letter from the Court to the President and Council at Surat, 28th July 1699.

payment of them, and that, in all the investments, he would obtain the largest possible quantity of red Caramania wool. (1)

CHAP. III. 1699-1700.

Instructions to President Pitt, at Fort St. George, to refuse any assistance to the English Company's Agents.

The Court, in the orders to Mr. Pitt, the President at FORT ST. GEORGE, communicated the same information on the state of their rights in England, as transmitted to the General at Bombay; and exhorted him and his Council, not only to make commercial exertions, which might anticipate the English Company, in the markets on the Coromandel Coast (orders having been given, in the preceding year, to repossess the Factories which had been relinquished), but, to prevent their ships and Agents from entering the ports belonging to the London Company, or deriving any advantage from communication with them.

Under all the circumstances in which the Company's Governments, on the Coast of Coromandel, were placed, relatively to the Mogul, and knowing that Sir William Norris had been sent out as the King's Ambassador, though he was paid by the English Company, the Court directed, that every willingness to shew respect to the Mogul might be manifested, but, opposition made to the arbitrary exactions of the local officers; such opposition, however, was to consist of delays in complying with their demands, and endeavours to conciliate them by presents, which, it was hoped, would be a more effectual means than the employment of open force. In the situation in which the Settlements were placed, it was ordered, that the fortifications should be strengthened, as far as their means would

(1)—Letter from the Court to the Agent and Council at Ispahan, 2d August 1699.

CHAP. III. 1699-1700. would allow, particularly Fort St. David, where, (probably on account of its supposed weakness,) some disturbances had occurred, to prevent which, long guns had been embarked, to be mounted on the ramparts, that, by the range of the shot, the insurgents, in future, might be prevented from approaching too near the place.

The commercial relations with the maritime states were to be preserved, but (to avoid any questions in Europe,) the dispute with the Portuguese vessels, coming to the Fort, was to be terminated, by exacting from them five per cent. customs, only. The measures adopted in England, for preventing the pirates from obtaining supplies from America and the West-Indies, were referred to, and information given, that Captain Kidd, the pirate, had been apprehended in the West-Indies, and was to be tried in London, along with some of Avery's crew, though Captain Avery himself had not yet been discovered or seized.(1)

Chutanuttee constituted a Presidency.

The Court, having received letters from the Agent in BENGAL, intimating that the Prince, had given a grant, or Nishân, to the Company, for the towns of CHUTANUTTEE, GOVINDPORE, and CALCUTTA, approved of his conduct, and that of the Council, in purchasing those important districts; for though the amount of the present given to the Prince was high, such

(1)—Letters from the Court to the President and Council of Fort St. George, 21st November, and 20th December 1699.—— Letter (private) from the Court to President Pitt, 21st November 1699.—— Letter from the Court to the Governor and Council of Fort St. David, 21st November 1699.

CHAP. III.
1699-1700.

such an acquisition would, henceforward, place their Settlements and trade in Bengal, upon a larger scale, and enable them to draw a revenue, which, it was hoped, might be equal to the charges.

Sir Charles Eyre appointed President of Chutanuttee, with orders to build Fort William.

Having the advantage of information from Mr. (now Sir Charles) Eyre, the Court found it expedient to devise a system of administration, suited to the improved state of their possessions. Though Sir Charles Eyre had retired from the Company's service, yet, on observing the manner in which the rights and privileges of his former masters had been assailed, and, for a few months, overset by the English Company, and that they had recovered their rights by the Act, continuing them a Body Corporate, he again had offered his services, (to use the Court's words,) "from a *just*, but *unusual* gratitude," to return to Bengal, to improve the rights which the Prince's Nishân had conferred on them;—he was, therefore, re-appointed to be Chief Agent, or principal servant in Bengal, which they declared should, from this time, be considered a *Presidency*.

The instructions to Sir Charles Eyre were, that the fortifications should be increased, to render the seat of their trade secure, not only against the Native Powers, but against their European or English rivals, and, in compliment to His Majesty, the fort was to be denominated FORT WILLIAM. This appointment, however, is explained, to have arisen entirely from the public-spirited offer of Sir Charles Eyre, and not, in any degree, from disapprobation of the conduct of Mr. Beard, whom the Court described to be "an old and faithful servant," and who,

CHAP. III. 1699-1700.

who, though apparently superseded, in fact possessed their fullest confidence; explaining to him, that no supercession, in future, of his right to be Chief of the Bengal Settlements, should take place; that they trusted to his zealous support of their interest; and continued to him his full salary of £200 per annum, and £100 gratuity.

In the consultations between the Court and Sir Charles Eyre, on the subject of the fortifications at Fort William, the former appear to have been disposed to render them regular and strong, and sufficient to defend the Factory and servants, in the event of civil wars, on the Mogul's death, requiring a safe retreat:—the latter expressed his apprehensions, that the appearance of a regular fortification would excite jealousy in the Mogul Governors, and perhaps disturb the grant so recently obtained;—it was, therefore, settled, that the Factory should be made strong, particularly in its timbers; that, in case of attack, the windows might be used for port-holes; and that, at the angles, additional buildings, like warehouses, should be erected, to serve as bastions, to flank the house, in case of necessity;—but as Sir Charles Eyre had discretionary powers, a plan for constructing Fort William was given to him, and it was recommended, that the Pentagon form might, if possible, be adopted, that being considered, in Europe, as the strongest species of fortification.

A new Council appointed for the Presidency of Fort William.

Fort William being, in this manner, declared a Presidency, the Council was to consist of five members;—Sir Charles Eyre, President;

President; Mr. Beard, second, and Accomptant; Mr. Halsey, third, and Warehouse-keeper; Mr. White, fourth, and Purser Marine; and Mr. Ralph Sheldon, fifth, and Receiver of the Revenues, and manager of all subordinate business. The President was to fill up vacancies, subject to the approbation of the Court; and, as an encouragement to the Factors and subordinate servants, the rule of promotion was to be, by seniority, and none of their servants to be dismissed, but by an order of the Court, a bye-law having passed, that such dismission should be by ballot, in the Court of Committees.

The taxes at Fort William were to be imposed and levied (allowing for the difference of situation) as practised at Fort St. George, for information on which subject, the President and Council were to correspond with the President and Council of Fort St. George:—discretionary powers were also given to re-establish the inland Factories.(1)

Instructions to the Agents at Bencoolen.

The Court issued similar orders to the Agency at BENCOOLEN, and to the other Settlements on the Coast of Sumatra, to re-occupy all the stations which had been relinquished, and to exclude the servants and trade of the English Company.

Though this Settlement had not, hitherto, afforded pepper, or other produce, sufficient to defray one-half of the charges, the Court determined to maintain it, and, for this purpose, suggested

(1)—Letters from the Court to the Agent and Council in Bengal, and to the President and Council at Fort William, 21st November, 20th December 1699, and 5th January 1699-1700.—— Instructions to Sir Charles Eyre, 20th December 1699.

CHAP. III. 1699-1700.

gested to the Agent, the scheme of granting a small allowance to the principal Chiefs in the districts furnishing the pepper, and the honorary rank of Members of Council, which, it was expected, would induce them to make exertions to collect a more regular and full supply; and, as a farther encouragement to the port of Bencoolen, such goods as had paid customs at Madras, were not to be liable to pay duties again, on the goods being brought into any of the Company's Settlements, on the Coast of Sumatra.(1)

First regular equipments and stock sent direct to Canton.

Among the equipments of this season, two ships were destined for CHINA, the trade of which, particularly at the port of Canton, the Court were determined to attempt, with a large stock, to be managed by Supercargoes. The stock consisted of a small proportion of goods, and of a large amount in bullion:—one of the instructions was, to conceal the bullion from the knowledge of the Chinese, and only to produce it, as purchases could be made. The principal goods ordered were silks, wrought and raw, and teas of the finer sorts, specifying three hundred tubs of the finer *Green Teas*, and eighty tubs of *Bohea*, both having now become in great request, at the home sales. The orders for packing the tea went to one object only, that of preventing it "from acquiring any "smell from the tutenague tubs, or pots, in which it was enclosed

(1)—Letter from the Court to the President and Council of Fort St. George, 21st November 1699.—— Letter from the Court to the Agent and Council at York Fort, 21st November 1699.

"closed." The other China articles were drugs, gums, fans, porcelains, damasks, velvets, lacquered and Japan ware.(1)

CHAP. III. 1699-1700.

Embarrassments at Bombay and Surat, from the prospect of a civil war for the succession.

If the Presidencies of the London Company, in former years, had to struggle for their rights and trade, against the oppressions of the Mogul and his Governors, instigated by Interlopers, and provoked by pirates, and against the insidious projects of the Dutch and French, and, in those struggles, to experience the seizure of the Company's property, and the personal imprisonment of their servants, they had, in this season, in addition to these intolerable evils, to meet the united attacks of the Interlopers and the English Company's servants, who could now avail themselves of opportunities to promote their schemes, by misrepresentations, which threatened the expulsion of the English, from the Peninsula of India.

To have a correct view of the actual situation of the London Company's affairs, at this crisis, it will be necessary to preface them with an account of those appearances of civil convulsions, which were unhinging the Mogul Government, and strengthening the arbitrary power of its local Governors; and then to bring into notice the advantages taken by the Interlopers and English Company's servants, of this state of the Government, by

(1)—Instructions from the Court to the Supracargoes of the Wentworth and Dorrel, 10th November 1699.

CHAP. III. 1699-1700

by seeking to found the establishment of the English Company's rights and trade, on the ruins of the London Company.

Early in the season 1699-1700, the Presidency of SURAT, represented to the Court, that the application which they had recommended, for an exclusive Phirmaund from the Mogul, had become as impracticable, as the acquisition of it would be useless; because, not only each of the Mogul's sons were at the head of armies, but several of his grandsons were collecting forces to commence a civil war for the succession, when the Emperor's death should afford them the opportunity to contend, either for the whole, or for portions of the Empire.

—from the hostile preparations of the Hindoo Powers to re-assert their independence.

The appearances of civil convulsions were not limited to the general war for the succession, for several of the more powerful of the Hindoo Rajahs were augmenting their forces, and awaiting only the event of the Emperor's death, that they might avail themselves of the opposing and divided strength of the Mogul armies, and, on the ruins of that Government, re-assert their own independence, as Native Powers. The success of the Mahratta armies was considerable, and had kept the countries through which the Agra goods, particularly indigo, had a transit to Surat, in such alarm, that the President had not been able to obtain a single bale from that quarter, to form part of this year's investment. Under such political restraints, the President and Council assured the Court, that they would observe the instructions specified in the home transactions of this season, in the event of the civil wars commencing, as far as might be practicable, in

the

the existing state of their rights, and the oppression to which their commerce was exposed. CHAP. III. 1699-1700.

If the general state of the Mogul Empire, weakened in its administration by these approaching convulsions, affected the Company's rights and trade on the West of India, the character and arbitrary proceedings of the Governor of Surat (and his power must be considered as part of that of the Mogul) tended to augment the distress. Though the Mocha Fleet had arrived in safety, under the convoys which the President had sent to protect it, the Governor of Surat refused to pay the sums stipulated to defray the charges of those convoys; and as the expectations which the President had held out to the Governor, that a force would be sent to clear the Indian Seas of the pirates, had not been fulfilled, he was impatient of the delay, and, conceiving himself to be deluded, treated the English with the greatest contempt:—his conduct, when observed by the Natives, induced them to consider the Company's servants, in the words of the President and Council's letter, to be "as despicable as the Portuguese in "India, and as odious as the Jews in Spain." This contempt was, also, felt by the Mogul himself, who having extorted from the President at Surat, a security to pay all damages done by the pirates, issued an order to stop the European trade, at all the other ports in his dominions, till a like security should be given by the Agents of all the European Factories at those ports:—the effect of this order was, that the English, French, and Dutch, were not permitted to go out of the city of Surat, till information, that those securities had been granted, should induce

—from the appointment of a new Governor of Surat.

CHAP. III. 1699-1700. the Mogul to revoke the general embargo :—the immediate effect was, that it was become impossible to comply with the Court's orders for procuring an investment to dispatch the ships early in the season. The same distress extended equally to the French and Dutch, the last of whom had not only stopped their purchases, but struck the flag on their house, and had sent their shipping to Batavia.

The President, under these restraints, informed the Court, that unless affairs should take a more favourable turn, it would be impossible for him to send another ship's cargo from Surat this season, though he would have recourse to the only means left, that of endeavouring to procure a small investment, in the name of the Armenians; but, for this expedient he had not money in the treasury, and must borrow it at interest, that the appearance of debts might less afford the Governor a pretext for extortions.

In this critical state of affairs, the Governor of Surat died, and was succeeded by Dianat Khan, in January 1699-1700, whom the President described to be unskilled in mercantile affairs, and who had strict orders (the Mogul having approved of the conduct of the late Governor, relatively to the three European nations) to continue the embargo; and, at the close of the season, it was found impossible to conciliate him by giving bribes.

Alarm of the Presidency of Surat, on receiving intelligence of the establish-

Such was the situation of the London Company's affairs at Surat and its dependencies, when the first accounts arrived of the establishment of the English Company, and of the Agents

Agents employed by them, the characters of many of whom were known to the President and Council; it will, therefore, throw light on their proceedings, as well as those of the London Company's servants to resist them, to preserve the chain of events as they occurred.

ment of the English Company.

The first notice of the establishment of the English Company reached the President and Council of the London Company, at Surat, in April 1699, and as it came by an Interloper, (the Shrewsbury Galley), it was published in such a manner, as discovered that the Interlopers were, in revenge for the opposition shown to them by the London Company, determined to support the English Company. This conduct proceeded from the expectation, that they could more easily evade the measures of inexperienced Adventurers, than the observation of the London Company's servants, who, for so many years, had been habituated to their smuggling and illicit projects.

Mr. Lucas, to whom the Shrewsbury Galley was consigned, communicated a copy of the Act of Parliament to the President, and, in company with Mr. Bowcher and Doctor Leckie, made the event known to the Governor, who sent for the London Company's broker, that he might ascertain the fact. With great prudence, the broker informed him, that the President and Council had received no such information, and that the Interlopers should not be believed.

The Governor of Surat interrogates the President and Council about the

The Governor, on the following day, sent for the President and Council to his house, and, in the presence of the Interlopers, and the principal merchants of Surat, asked them if they acknow-

ledged

CHAP. III. 1699-1700. English Company, and forbids their leaving the port.

ledged the Act of Parliament:—they replied that they did, but, that the London Company were allowed, by it, to trade till September 1701; and that they had received no orders to resign their rights to the persons who came by the Shrewsbury Galley, nor had these persons any power to dismiss them:—on this information, the Governor ordered the Company's broker, on pain of corporal punishment, to give security, that the President and Council should not leave the town, and confined them to the Factory, till such security should be given;—subsequently, he ordered their broker not to pay any money to them, till he should examine the Company's accounts. In a few days, the Governor sent for the Shroffs, and ordered the principal of them to be beat, till they gave an account of what bullion the Company had sold to them, and what price they had paid for it. To this severity, the President was of opinion, the Governor had been instigated by the scandalous aspersions of the Interlopers, who represented that the Company had been dissolved, for committing piracies in India, and by the loss of two lacks of rupees, which he had sustained by the capture of the Quedah Merchant, by Kidd, the pirate; losses which he, by this expedient, sought to recover from the Company.

Lucas, not contented with this conduct, acted as if he, himself, had been vested with authority by the English Company, and set out, attended by a large retinue, to purchase an investment for his ship, at Ahmedabad, at which he represented, that the London Company's servants had now no authority to obstruct

obstruct him; but, in this project, he was resisted by the brokers of the London Company.

CHAP. III. 1699-1700.

Arrival of Sir Nicholas Waite at Bombay, where his authority was disavowed by Sir John Gayer.

While the Presidency were in this situation, Sir Nicholas Waite, the English Company's President for Surat, arrived off Bombay, on the 11th January 1699-1700, and notified to Sir John Gayer his appointment to be the King's Minister, and Consul General for the English nation, and required compliance with whatever orders he might issue:—Sir John Gayer, in answer, disavowed any authority which Sir Nicholas Waite might pretend to have, over the Londou Company's servants, both because, by the Act establishing the English Company, the London Company were entitled to carry on their trade till September 1701, and, because it exempted them from the payment of the five per cent. duty for the maintenance of public ministers.

Sir Nicholas Waite arrives at Surat, and removes, by force, the London Company's flags from their houses.

When Sir Nicholas Waite found he could make no impression on Sir John Gayer and his Council at Bombay, he sailed for Surat, where he arrived on the 19th January, and notified his commission to the President and Council, requiring them to strike the St. George's, or Company's Flag, as he bore the commission of Vice Admiral, and would allow no other flag than his own. The President and Council, for the same reasons assigned by Sir John Gayer, at Bombay, refused to comply, and were protected by the new Governor and his principal officers, who informed Sir Nicholas Waite, that the commission, "or "Phirmaund," of the King of England, was of no authority at Surat, unless admitted by an order of the Mogul, and that the London

CHAP. III. 1699-1700.

London Company had the Emperor's authority for using their flag. Conceiving this to be an affront on his dignity, Sir Nicholas Waite, after a long correspondence with the President and Council, determined to use force, and accordingly, on the 27th January, landed two captains of ships, and forty men, at Swally, with orders to strike the London Company's flag.

— this violence resented by the Governor, as an insult to the Mogul.

This violence, intended to disgrace the London Company, in fact, was the most effectual means which Sir Nicholas Waite could employ for their protection; for when the Governor and his principal officers, were informed of the outrage, and that the flag had actually been struck by force, they immediately issued orders, that it should be re-hoisted:—the effect of these transactions upon the Natives, who could not comprehend the distinction between the London and English Companies, and who saw that the London Company, notwithstanding the assertions of their being dissolved, remained in possession of Bombay, was a belief, that the whole had been a fabrication of the Interlopers, and a scheme calculated to uphold their private trade.

President Colt refuses to acknowledge Sir Nicholas Waite's assumed superior authority.

When Sir Nicholas Waite found that he could not prevail in his plan of having the London Company suppressed, he protested against President Colt's issuing passes to the country vessels, as an authority with which he, alone, was vested:—in reply, the President denied that he had granted such passes, since Sir Nicholas Waite's arrival had been notified to him. Under these circumstances, the transactions of this season closed with a conference, in which Sir Nicholas Waite, on the one hand, insisted on his superior autho-

rity,

CHAP. III. 1699-1700.

rity, and the President and Council, on the other, waved the acknowledgement of it.

It may easily be supposed, that, in this situation, both Sir John Gayer and President Colt felt their situations to be irksome and perilous; for the former desired leave to resign, on account of ill health, and the latter, in two years from the date of his application.

Trade at Surat, and on the Malabar Coast, suspended, from these events.

The measures adopted for trade, and regarding the dependencies on BOMBAY and SURAT, under such circumstances, were limited and embarrassed. Sir John Gayer reported to the Court, that he acquiesced in, and would observe their orders, respecting President Pitt's authority at Fort St. George, and had suspended the building of additional fortifications at Anjengo, because the Dutch were withdrawing their Factories and establishments, on the Malabar Coast, having found it impracticable to engross the whole of the pepper trade of that country;—and that the trade and revenue of Bombay had been much injured by the Portuguese, who had endeavoured to obstruct the communication between the Islands of Salsette and Bombay.[1]

 The

(1)—Letters from the General and Council at Bombay to the Court, 31st March, 10th April, 10th July, 21st and 25th August 1699.—— Letter from the General and Council at Bombay to the President and Council at Surat, 30th May 1699.—— Letter from Sir John Gayer to the Court (private) 18th August 1699.—— Correspondence between Sir John Gayer and Sir Nicholas Waite, 11th and 15th January 1699-1700.—— Letters from the President and Council of Surat to the Court, 17th April 1699, 19th January 1699-1700, 28th March 1700.—— Correspondence between the President and Council of Surat, and Lucas and Boucher, the Interlopers, 8th, 9th, 11th and 12th April 1699.—— Letter from the President and Council at Surat to the General and Council at Bombay, 10th April 1699.—— Letter from President Colt to the Court (private) 15th July 1699.——

CHAP. III.
1699-1700.
The aspect of the Persian trade unfavourable at the opening of the season.

The Company's affairs in PERSIA, this season, assumed the most opposite aspects:—in the first part of it, the advantages which were expected from the new Phirmaunds, were, by the intrigues of the Dutch, in some degree frustrated: but, towards the close of it, an unexpected visit of the Persian Monarch to the English Factory at Ispahan, not only gave hopes that the privileges which had been granted, would be confirmed, but that the English customs and trade would be permanently established.

A part of the arrears, as stated in the preceding season, had been paid, by thirteen hundred and forty maunds of silk; and (waving the customs of the year which had been disputed,) expectations were entertained, that the whole would be discharged;—the Dutch, however, continued to represent at Court, that the part of the silk which could be exported by sea, had, by contract, been granted to them; and that the payment of any part of the customs to the English, in that article, was a violation of a positive agreement with their nation. This objection would have been unavailing, had not the Shahbunder at Gombroon been brought over, by bribes, to the Dutch interest, and threatened to compel the English, like other nations, to pay customs at that port; and, besides, charged the English Agent with having received thirteen hundred tomands more than he acknowledged:—this dispute led

—— Correspondence between Sir Nicholas Waite and the President and Council of Surat, 22d, 23d, 25th, and 29th January, 1st February, 28th, 29th, and 30th March, 1699-1700, 1st, 2d, 4th and 10th April 1700.

CHAP. III.
1699-1700.

led to the opinion, that no farther silk would be obtained in payment of customs, as the Shahbunder had seconded a petition of the Dutch to the King, praying for a fulfilment of the contract with their nation, granting them the exclusive privileges of exporting silk from Gombroon.

The King of Persia visits the English Factory at Ispahan, and confirms and enlarges all their Phirmaunds.

If such were the unfavourable aspects, both at the close of the last, and at the opening of the present season, of the effects of the Phirmaund and Rogoms, and such the check given to the privileges and trade of the London Company, an unexpected event, or a visit paid by the King of Persia to the English Factory at Ispahan, again turned the balance in favor of the London Company.

It does not appear, from the letters of Agent Bruce, at Ispahan, to what cause this unexpected visit could be ascribed: —he stated, only, that the King, on passing the English Factory, was pleased with its exterior appearance, and expressed his intention to visit it, if consistent with his dignity:—finding, on the Registers being examined, that Shah Abbas the Great had visited the English Factory, after the taking of Ormus, he considered this precedent as a sufficient reason for gratifying his curiosity:—on the 23d of July 1699, therefore, a message was sent, that, on the following morning, the King would come to the Factory;—every preparation was made that was practicable, under the inspection of Persian officers, to have the great room fitted up, and a throne erected with suitable magnificence:—the passages and garden-walks were covered with rich carpets and the finest English cloth; and a collation

 of

CHAP. III. 1699-1700. of fruits and rich wines prepared;—the English then retired from the Factory, and left the charge of it to women, with instructions to receive, with all possible solemnity, the Monarch, and the Ladies of his Haram, by whom he was attended, leaving only three petitions, one apologizing for the inadequate pomp, with which they could receive the Monarch; another praying "directions might be given to the eunuchs, to prevent "persons from attempting, by means of the holes in the buildings, "to look at the King and his attendants;" and a third, that as, on so honorable an occasion, they could not disturb his Majesty with their requests, he would be pleased to order the Ettiman Doulut to receive them.

The King was not only gratified with his reception, and the presents of fruits and wines offered for his acceptance, but intimated his intention to visit the Factory a second time. Though the expences of this visit amounted to four hundred tomands, or above £1,200 sterling, the Agent informed the Court, that they were unavoidable, and might be attended with consequences, which would amply repay the Company, by placing their trade and privileges on a more certain basis, than any on which they had, hitherto, rested.

Substance of the Agent's petition to the Persian Minister on this occasion.

The petition of the Agent to the Ettiman Doulut prayed for the payment of the arrears of customs, exemptions from certain duties, permission to export sequins and silver, and an order to the Shahbunder, at Gombroon, prohibiting him, in future, from molesting the English in the enjoyment of their privileges, or obstructing their trade.

The

The Agent, on this occasion, submitted to the Court, that a letter from the King of England to the King of Persia, with suitable presents, would facilitate his obtaining the necessary protection and exemptions, for establishing the Company's trade in its fullest extent. The Shahbunder at Gombroon, on receiving intelligence of the King's condescension and favor, paid one year's customs, and promised a farther payment of two thousand tomands, of arrears, the ensuing March; and prohibited the Dutch, under a positive order from the King, to erect a Fort, or castle, at Gombroon.

The Dutch solicit a visit of the King to their Factory, which is refused.

This unexpected favor shewn to the English, excited the jealousy of the Dutch, in the highest degree, who employed every art, and offered large bribes to the attendants of the King, to induce him to visit their house, or Factory, representing the English Company, and nation, as inferior to their own, their Stadtholder being King of England.

Honorary presents by the King of Persia to the Company's Agent.

To counteract this misrepresentation, the Agent, with considerable ability, explained the obligations of the Dutch to the Crown of England, and described their Company, as the servants of Merchants only, who had no King, that could render them worthy of the notice of the Persian Monarch;—the request of the King's visit to the Dutch Factory, was, therefore, refused; and though his second visit to the English Factory did not take place, the Agent received, from the King, on the 2d September 1699, "the Khelaut," or vest of honour, a rich sword, and a horse;—these favourable appearances induced him to inform

the

CHAP. III. 1699-1700.

the Court, that he had the firmest reliance on the Company's privileges being confirmed, and their trade protected.(1)

Critical situation of Fort St. George, from the opposition of the English Company's Agents, and the devastations of the Mogul and Hindoo armies in its vicinity.

The situation of the London Company's affairs at FORT ST. GEORGE, and on the Coromandel Coast, in the same manner as on the Malabar Coast, was affected by the circumstances in which the power of the Mogul, and of the Nabob, were placed, at the time when the obstructions from the Interlopers and pirates, were seconded by the arrival of the English Company's Agents. On reaching Madras, these Agents assumed the public characters of Ambassador and Consul, and professed their object to be, not only to establish a new English interest, but to wrest from the London Company the privileges they had acquired, for more than half a century, under the Phirmaunds and Perwannahs purchased for valuable considerations. The fact, at this time, was, that in the beginning of this season, 1699-1700, the President of Fort St. George had paid fifteenh undred pagodas to the Nabob, for a Perwannah, entitling the Company to a full right to Fort St. David; and that, on this basis, he had purchased, at that place, an investment, estimated at two lacks and a half of pagodas, which he adduced, as an irrefragable evidence of the confidence which the London Company's servants had, in the validity of their rights, and in the returns which they expected to receive, from the profits of their trade.

These

(1)—Letters from the Agents and Councils of Ispahan and Gombroon to the Court and from Ispahan to Gombroon, 30th March, 5th and 29th July, 16th, 19th and 27th August and 9th September 1699.

CHAP. III. 1699-1700.

These events, however, considering the accounts given of the decline of the Mogul power in the Carnatic, from its army being obliged to be continually in the field, to keep in check the hovering armies of the Hindoos, discover, that any grants which could be purchased, either from the acknowledged Sovereign, or from the Hindoo chiefs, endeavouring to wrest his conquests from him, were rather to be deemed a foundation for claims on the ultimate victor, than a permanent recognition of rights and privileges :—this appeared from the order of the Mogul to stop all trade, till security should be given, as at Surat, for whatever damages might be occasioned by the pirates; hence the resolution which was taken to fortify the Black Town of Madras, at the charge of the inhabitants, and the demand of the President to have a supply of men and arms for its defence. The army of Zulfaker Khan was, at this time, hovering round the English bounds, and threatening to deprive them of all tenures, which the London Company might either solicit or purchase.

Intemperate conduct of the English Company's Consul, on his arrival at Madras.

The relations between the London Company, and the Mogul and subordinate Princes, were thus situated, when the English Company's ship, London, arrived, on the 3d July 1699, having on board their principal Factors; and on the 28th July, their ship, De Grave, anchored in Madras Roads; —Consul Pitt, on his arrival, notified to President Pitt his character, as Consul for the English nation, and President for the English Company, on the Coromandel Coast, in the same manner as he previously had done, to the Deputy Governor of Fort St. David.

CHAP. III. 1699-1700.

David. The terms in which this notification was expressed, and submission to his authority required, were dictatorial, if not imprudent, if, at this distant period, we can judge, from their being accompanied with a request to receive information and assistance, in his new undertaking, from the President of Fort St. George; and the answer of President Pitt, his cousin, was not less authoritative, though, considering his situation, more prudent:—President Pitt stated, that as the London Company were allowed, by Act of Parliament, to continue in the exercise of their trade, till September 1701, he could not recognize the authority of any superior, but their Court of Committees, and, consistently with his duty, neither would order a salute, nor strike his flag, at the Consul's orders.

Consul Pitt fixes the English Company's seat of trade at Masulipatam, and desires that his authority might be recognized by the President of Fort St. George.

Consul Pitt, on this refusal, sailed to Masulipatam, at which he proposed to establish the seat of the English Company's Government and trade:—on reaching this port, he established a Factory, or house, and formed his new Council, on the same principle as observed by the Agents and Councils of the London Company:—he then sent an official notification to President Pitt, at Fort St. George, of his office of King's Consul on the Coromandel Coast, and required, that his commission should be publicly read at Fort St. George, the town of Madras, at Vizagapatam, and, in general, at all the Factories and stations belonging to the London Company. President Pitt, considering this notification, as an infringement of the London Company's rights, and an insult on his own authority, instead of entering into any explanations with his new rival, issued an order, in

Council,

Council, under the Company's seal, to all their servants under his authority, not to obey any orders which they might receive from Consul Pitt, or the English Company, explaining this order to proceed on the terms in the Act of Parliament, which continued the trade of the London Company, till September 1701, and, in his opinion, exempted them from the duty of £5 per cent., for the maintenance of Ambassadors, or Consuls, sent to India.

CHAP. III.
1699-1700.

The characters of the London Company's President, Thomas Pitt, and the English Company's Consul, John Pitt, were equally marked by zeal in the service of their employers, but distinguished by the former possessing prudence, as well as firmness, and the latter, spirit, unguided by discretion:—both, however, were unfit for temporizing or conciliatory measures; and perhaps to this circumstance, and to the superior talents of President Pitt, the London Company owed the preservation, not only of their forts and Factories, but the provision of their investments, and the maintenance of their trade, in a country where the Natives had been habituated to transact with them, but could not comprehend the meaning of a new Association of English merchants, arriving to question the authority of those, whom they still observed in possession of the fortified stations and Factories.

Sir William Norris, arrives at Masulipatam, and notifies his character to the Governor and to the President.

Affairs were thus situated, when Sir William Norris arrived at Masulipatam, in September 1699, and notified his appointment, as Ambassador from the King of England to the Great Mogul; a notification which appeared to the Native Governor of Masulipatam, as well as to the Nabob, to be unintelligible, while

CHAP. III. 1699-1700. of Fort St. George, which both refuse to acknowledge.

while they observed the President and Council of Fort St. George disavowing his power, and keeping possession of the established and recognized seats of English trade. To remove this impression, Consul Pitt signified to Mr Lovell, the London Company's Factor at Masulipatam, the arrival of the Ambassador, and ordered him to attend him, on his landing; an order to which Mr. Lovell declined paying any obedience, till he should receive instructions from President Pitt and his Council.

In an official letter, President Pitt, under the Company's seal, protested against Sir William Norris's interference in any application which the London Company might make to the Native Governments, that might affect the rights they had purchased and enjoyed, because they were not subject to the control of any public minister, during the continuance of their term of trade; and, at the same time, addressed the Governor of Masulipatam, and the new Nabob, "Meddea Khan Beague," soliciting their protection to the London Company, explaining the reason, why their Factors had not waited on them, to be, the measures of the Agents of the English Company, which had prevented their discharging this duty.

Such, from the correspondence of the London Company's President and Council at Fort St. George to the Court, and their communications to Sir John Gayer at Bombay, were the measures which they observed in fulfilling the instructions to wave any acknowledgment of the authority of the Agents of the English Company, and to preserve from their interference, the rights and

and privileges on the Coromandel Coast, which had been acquired by the efforts of so many years, and at so great an expence, by the London Company.(1)

Sir Edward Littleton arrives in Bengal, and his authority, as Consul, rejected by the London Company's Agents.

The proceedings of the London Company's servants in BENGAL, this season, were founded on the Nishân which they had obtained from the Prince, in the preceding year, and on their confidence in the validity of this grant, and being able, under it, to dispatch the Company's ships with full cargoes; it may, therefore, be inferred, that the Mogul's authority was less disturbed in the Bengal Provinces, than, from the preceding recital, it appears to have been in the vicinity of the other principal seats of the London Company's trade:—the obstructions, therefore, which Mr. Beard, who had succeeded Mr. Eyre, as Chief of the London Company's Settlements in Bengal, had to encounter, arose chiefly from the interference of the English Company's President and Consul, Sir Edward Littleton, who arrived at Hughly in July 1699, and intimated his character as President of the English Company, and Consul for the English nation in Bengal, to Mr. Beard and his Council. The conduct of Sir Edward Littleton, on this occasion, was more conciliatory than that of Consul Pitt at Masulipatam:—instead of commanding Mr. Beard to acknowledge his authority,

 and

(1)—Letters from the President and Council at Fort St. George to the General and Council at Bombay and Surat, 2d May, 3d June, 19th July, and 12th August 1699.—— Correspondence between President Thomas Pitt and Council at Fort St. George, and Consul John Pitt, and Sir William Norris at Masulipatam, 20th, 23d, 26th, August, 21st September 1699, and 16th January 1699-1700.—— Letters from the President and Council at Fort St. George to the Nabob and the Governor of Masulipatam, 16th January 1699-1700.

CHAP. III. 1699-1700. and relinquish his own, he requested his good offices in a friendly manner, but intimated, that he expected he would not again interfere in the affairs of the Durbar, or grant English passports to country vessels, because this power was vested in himself, as Consul, and could not be legally questioned by the Agents of the London Company:—a correspondence ensued between them, in which Sir Edward Littleton solicited Mr. Beard's friendship, and requested him to furnish him with pilots, &c., and Mr. Beard, with much firmness, evaded the acknowledgment of this authority, and explained his conduct to proceed from his duty to the London Company, to defend their rights and character, and to maintain the full enjoyment of their privileges till 1701, under the Mogul's Phirmaund and the Prince's Nishân; adding, that their servants were more competent to manage the interests of their superiors, and of the English nation, than strangers, whatever their rank or character might be, who could only be competent to act, and to preserve such rights, as they might purchase or acquire. In conveying an account of his conduct to Sir John Gayer, Mr. Beard added, that his utmost exertions should be used, to preserve and to maintain the London Company's rights, and promote their trade.(1)

(1)—Letters between Agent Beard at Calcutta, and Sir Edward Littleton at Ballasore, 28th and 29th July 1699.—— Letter from Agent Beard and Council at Calcutta to the General and Council at Bombay, 9th August 1699.

ENGLISH COMPANY.

Relative pretensions of the English and London Companies at this juncture.

The domestic transactions of the English Company, during the season (1699-1700), consisted rather of a recapitulation of their instructions to the persons appointed to act as Presidents, or Consuls, than of new projects for the establishment of settlements and trade:—it is remarkable, however, on more fully considering their relative situation to the London Company, to which they were continuing to make ineffectual approaches for an Union, that, instead of directing, as at their outset, their chief attention to fix the seats of their Government at a distance from those of the London Company, they, this season, followed the same line with the Company they had been endeavouring to ruin, and fixed on SURAT, as the chief seat of their Government and trade:—hence they conveyed their general orders to Sir Nicholas Waite, their President, or Consul, at Surat, to be communicated to Sir William Norris, who was supposed, by them, at the date of their first dispatches of this season, to have arrived at the Mogul's court, to solicit and acquire privileges for the English Company, or nation.

The Ambassador, therefore, appears to have been vested, rather with discretionary powers, and sent on a mission of experiment, than under any instructions from his superiors, or precise objects for his attention; the orders were, therefore, repeated

CHAP. III. 1699-1700. repeated by the Court to Sir Nicholas Waite, to be particular in his inquiries, for ascertaining the rights and privileges of the London Company, at Surat, Bombay, the Malabar Coast, and in Persia, because, in the event of an Union, they wished to be informed of the foundation of those demands which the London Company could make, and of the conditions to which the English Company could agree:—it appears, however, that, hitherto, little progress had been made by the persons employed to negotiate an Union with the London Company, which continued "obstinate," notwithstanding the notice given them of the period when their privileges would cease.

The Court of Directors of the English Company, in the progress of the season, informed the Consul at Surat, that affairs had assumed a new aspect; for a Bill had been introduced into Parliament, in favour of the London Company, which continued them a Corporation, entitled to trade on the proportion of the stock of the English Company for which they had subscribed, " but which placed them on no better footing than the Mercers' " Company, or on any other Corporation in London, which " might chuse to subscribe, and subjected them to the payment " of five per cent. for the maintenance of public ministers:"— this claim they attempted to illustrate, by a comparative account of the value of their own, and of the stock of the London Company; an account, however, which is in direct opposition to the statement which the London Company conveyed to their servants, of the value of their stock, as evidence of their credit.

The

1699-1700.

Contradictory accounts of the value of the English Company's stock, from those transmitted by the London Company to their servants.

The Court informed Sir Nicholas Waite, in March 1699-1700, that "the stock of the London Company had been "managed with great art, and had risen, at one time, as "high as £135 per cent.; but that this price had induced "many of the proprietors to sell out, which had again reduced "it below £100 per cent., while the £125, paid in, on the "stock of the English Company, was currently sold for above "£150."

The rivalship of the two Companies, it is to be recollected, did not constitute the whole of the difficulties in England, there being proprietors of the General Society (whose stock amounted to about £20,000) who did not come into the Joint Stock of the English Company, and fitted out two small vessels for India, which were protected by the English Company's licence; it was, however, in future, to be understood, that if any other vessels, belonging to private merchants, should attempt trading within the Company's limits, without their licence, such vessel was to be seized:—they thus manifested a jealousy of Interlopers, a description of traders so recently their own, and for whom they had pleaded, as deserving encouragement, because they extended the trade and navigation of the kingdom.

Having given this view of their relative situation, with respect to the London Company, the Directors of the English Company issued a general order, that their Presidents, or Consuls, alone, were entitled to grant passes to country vessels, or to make applications, through their Ambassador, to the Native Powers, for grants or privileges to the English Nation, and

CHAP. III. 1699-1700.

and that, in asserting this right, they were to notify, in the most public manner, that the English Company were not to be answerable for the debts of the London Company.

Equipments and stock of the English Company for Surat.

The equipments of the English Company, consigned to Surat, were, the Rook Frigate, with a stock, estimated at £12,400, to be employed, while her investment was preparing, in cruising against the pirates; the Canterbury and the Albemarle, with a stock estimated at £25,000 each, to be laid out, in general, on a proper investment of Surat goods, with the exception of the articles described in the India Prohibition Act.(1)

Instructions to Consul Pitt on the Coromandel Coast.

If the instructions of the Directors of the English Company, to Surat, were necessarily illustrations, only, of those of the preceding year, the orders to Consul John Pitt, whom they had appointed their President, with authority over such settlements and trade as he might establish on the COAST OF COROMANDEL, were equally narrow, and, indeed, from the nature of the case, not having, as yet, heard either of the measures, or of the success or failure of his attempts to establish Factories or trade, they could not take a wider range; the same information, therefore, for his conduct, and that of the Ambassador, is repeated to the persons intrusted with the experiments to be made on the Coromandel Coast, and the same accounts of the ineffectual attempts at an Union with the London Company, and of the Acts of Parliament, for continuing them a Corporation,

(1)—Letters from the Court to Sir Nicholas Waite and Council at Surat, 3d August, 30th December 1699, 3d February, 15th March 1699-1700, and 12th April 1700.

poration, and for prohibiting the importation of India wrought goods, are given, with those sent by the London Company to their servants:—it was, however, held to be material, to convey to Consul Pitt, and to communicate to Sir Edward Littleton in Bengal, the degree of opposition in trade which they would have to experience from the London Company, who were proceeding "strenuously" in equipping a considerable fleet, and had embarked a very large stock. Besides, that Mr. (now Sir Charles) Eyre, who had so long presided over the London Company's Settlements in Bengal, was proceeding to India, with discretionary powers, to push the applications for grants to the utmost extent, and to employ large sums, in anticipating the English Company in the markets. To meet this opposition, they had equipped two ships for Coast and Bay, with a stock estimated at about £60,000 in bullion, and £5,500 in goods, in each ship. These orders varied respecting settlements, by suggesting Masulipatam, as a preferable seat of trade to Madapollam, and the expediency of establishing a Factory at Porto Novo. (1)

CHAP. III. 1699-1700.

Instructions to Sir Edward Littleton in Bengal.

The orders of the Court of Directors to their servants in Bengal, consisted of a repetition of those to Surat and the Coast, with the addition, to Sir Edward Littleton, to make purchases of goods of the best quality, and to exert his utmost endeavours

(1)—Letters from the Court of Directors of the English Company to John Pitt, Esq. and Council, on the Coast of Coromandel, 30th December 1699, 5th and 20th January 1699-1700, and 12th April 1700.

CHAP. III.
1699-1700.

endeavours to rival, and to bear down, the trade of the London Company.(1)

Speculation of establishing a trade at the Island of Borneo, and connecting it with the China trade.

The knowledge which many of the Directors and servants of the English Company had acquired, of the trade in the Indian, and in the China Seas, and which the Court had, also, drawn from the example of the Dutch, led them to projects for obtaining a share in the pepper trade, and, if possible, to connect with it, enterprizes for opening a trade with China. As the Java pepper had been engrossed by the Dutch, and the Sumatra pepper was in possession of the London Company, who, also, were beginning to engross, by their establishments on the Malabar Coast, the pepper in the Peninsula, a new experiment was devised for obtaining a proportion of this trade, to which they were, perhaps, stimulated by their professions to Parliament, and to the public, that they would extend the English trade to countries, which the narrow system of the London Company had either neglected, or relinquished.

This experiment consisted in dispatching a vessel, in the preceding season, to BORNEO, and was now followed up, by the appointment of Mr. Landen, who had formerly visited that Island, to be President, *pro tempore*, at any station at which he might find it practicable to settle an English Factory:—on this project was engrafted the scheme of building ships, from an opinion, that large quantities of ship-timber could be found on the

(1)—Letters from the Court to Sir Edward Littleton and Council in Bengal, 30th December 1699, 15th March 1699-1700, and 12th April 1700.

the Island; shipwrights, smiths, and other artificers, therefore, were embarked, and the vessels built were to be employed in opening trade with China. CHAP. III. 1699-1700

The first object, in this speculation, was to purchase pepper;—the ships intended for China were to touch at Banjar-Massin, to take such produce as could be procured; and Mr. Landen was, also, to obtain information on the subject of the gold and diamond trade at Succadania, and to proceed with whatever proportion of those valuable articles he might collect, as resources for the trade to China.(1)

The experiment of opening a trade with CHINA assumed, in the progress of the season, a more regular form, for, in August 1699, the Macclesfield Galley was taken up for a voyage to China direct, and to return to England, and Mr. Robert Douglas appointed supercargo, with Mr. Biggs (one of the London Company's dismissed servants) to act as his assistant:—the first attempt was to be made at MACAO, to try the practicability of settling at CANTON; but, should this scheme not answer, he was to proceed to AMOY:—the stock with which he was instrusted, including his own, and Mr. Biggs' separate adventures, amounted to the large sum of £39,136, to be invested in raw-silks, damasks, and teas.

In the month of November 1699, the Court adopted a more regular system for establishing this trade, by appointing

(1)—Letters from the Court to the Agent and Council at the Island of Borneo, 6th May, 26th September, 3d October, 23d November, 30th December 1699, and 25th January 1699-1700.

CHAP. III. 1699-1700.

a President (Mr. Catchpoole) who was to be dignified with their favorite character of King's Consul, and have a Council of four, with two Factors and five Writers, having the same rank and salaries as at their other establishments. Mr. Catchpoole sailed in the Eaton Frigate:—the limits of his jurisdiction were sufficiently extensive, being to include "the whole Empire of "China, and the adjacent Islands." A second ship was added, to attempt a Settlement at LIAMPO, or LINGPO, in the north of China, or, if this scheme, also, should fail, at the city of NANKIN:—in the event, however, of disappointment, he was to collect, at those places, what goods he could purchase, and then proceed to CANTON, and settle at that port; where a common table was to be kept for the Merchants, Factors, and Writers. The general object was to promote the sale of English woollen manufactures, and to collect an investment of the China goods enumerated in the instructions to the supercargo of the Macclesfield Galley; and, as an encouragement, the Company's servants were licensed to trade, on their own account, from port to port, and to be allowed to send gold home, which the Company would exchange for silver. At the close of the season a new ship, the Liampo Frigate, of one hundred and sixty tons, was purchased and dispatched for China, with a stock estimated at £3,800.

Such were the speculations of the English Company, during the second year of their progress.(1)

The

(1)—Letter of Instructions from the Court to Mr. Douglas, Supercargo for China, 3d August 1699.—— Commission and Instructions to the President and Council in China, 23d November

CHAP. III.
1699-1700.

The ruin of the two Companies in India, only prevented by the relaxed state of the Mogul Government.

The first intelligence received by the English Company, addressed to their Court of Directors, at Skinner's Hall (as might have been anticipated, from the characters of their Presidents, or Consuls, and the nature of their instructions) consisted chiefly of the recital of the struggles, between them and the Presidents and Councils of the London Company; the one, under the higher titles of Ambassador and Consul, making efforts to introduce a new English interest and trade, and the other, resisting, by every means which prudence and experience could suggest, innovations, which struck, not more at all the rights and privileges which, for a century, they had been purchasing, or had acquired, than at the continuance of a direct trade between England and the East-Indies. It would be superfluous to detail the events, at each of the stations of trade in the Peninsula of India, originating in enterprize, and in self-defence, without referring to the progress of the European nations, who sought, since the discovery of the circuitous navigation to the East, the introduction of trade between Europe and Asia.

Had the London and English Companies existed, while the Portuguese power, in Asia, was unbroken, or even when it was on the

November 1699.—— Letters from the Court to the President and Council in China, 23d November 1699, and 2d February 1699-1700.

CHAP. III. 1696-1700. the decline, their commercial disputes must have exposed both to immediate ruin, and to the contempt of the Native Powers, at whose ports each was seeking a trade: — had the same impolitic rivalship existed, when Portugal was united with Spain, and during the vigour of the Dutch opposition to both, or when the Dutch power and trade, in Asia, broke down, and almost extinguished that of Portugal, the weight of the Dutch funds, and the power of their armaments, would have crushed the Joint Stock of the London Company, and excluded the English Company from a participation in the trade:—it is obvious, also, from a retrospect of the state of India during the reign of Akbar, when the English trade was first attempted, and, in a still stronger degree, during the vigour of Aurungzebe's reign, that had this unwise competition, between the subjects of the same country, subsisted, (a competition perfectly unintelligible to the Natives,) the Mogul would probably have excluded the English from his dominions; an example which would have been followed by the Hindoo Powers:—at the distance of a century, therefore, it appears to be inconsistent with the wisdom of King William, and of Parliament, to have introduced a rivalship, which was so directly against the public interest. The events we are about to unfold will exhibit proofs of the truth of this observation; for the interferences of the Sovereign, and of Parliament, were called on, to terminate this absurd opposition, by the Union of the two Companies.

Proceedings of Sir Nicholas Waite in the English

The events at SURAT, and, subsequently, on the COROMANDEL COAST, and in BENGAL, will furnish full evidence of the public misfortune

misfortune of substituting theories of trade, for practice, founded on experience.

CHAP. III. 1699-1700. Company's Consul at Surat.

Sir Nicholas Waite reached SURAT on the 19th January 1699-1700; but, previously, Mr. Mewse and Mr. Brooke, had arrived, on the 16th November 1699:—though subordinate Factors only, they published the powers with which the English Company were vested, and prepared the President and Council of the London Company for the attack intended on their privileges and trade, as soon as the new English Consul should arrive. It was at this crisis, that the Governor of Surat, who had been friendly to the London Company, died, and that a new Governor, " Dianat Khan," was appointed, who, of course, must have been a stranger equally to the old, and to the new representatives of the English nation:—this change of a Governor occurred, also, at the time when the Dutch, feeling the burden of the security-bond which had been extorted from them, to compensate for the losses occasioned by the pirates, were making applications to be relieved from this obligation.

It may easily be supposed, under such circumstances, that the representatives of the London Company, both from their instructions, and from a sense of duty, would try every plan to bring over the new Governor to their interest, and would send Vakeels to Court, to pre-occupy the ministers of the Mogul in their favor;—it may also be supposed, that the subordinate servants of the English Company, at Surat, would observe these proceedings, and prepare such information

as

CHAP. III. 1699-1700. as they could collect, to enable Sir Nicholas Waite to oppose them; and hence the regret which they expressed, in a letter to Sir William Norris, that he had not been ordered directly from England to Surat, as the access, from this port, to the seat of Government would have been shorter, and his influence on the Mogul less obstructed; mean time, that they would procure copies of all Phirmaunds, or grants, to European Companies, particularly to the London Company, that, on them, he might found his application for privileges to the English Company.

Sir Nicholas Waite, on his arrival, directed his first care to purchase a cargo for one ship, but complained that his efforts, even in this way, had been obstructed by the servants of the London Company;—instead, however, of conciliating his countrymen, or endeavouring to connect the interests of his employers, with those of the London Company, he immediately signified to President Colt, his superior power, as Consul, desired his acknowledgement of him, in this capacity, and ordered him to strike the flag on the London Company's house at Swally;—this improvident violence was noticed among the events affecting the London Company, and, in fact, obtained them the protection of the Governor, who considered Sir Nicholas Waite's conduct as an interference with his authority, or rather with that of the Mogul, particularly as he had, by force, taken down the flag, which the Governor ordered to be immediately re-hoisted.

Under these circumstances Commodore Warren, on whose protection Sir Nicholas Waite depended, died, and was succeeded by Commodore Littleton, whom Sir Nicholas Waite accused of

partiality

partiality to the London Company, because he refused to support him in those violent proceedings, to which, as a King's officer, he could not give his sanction.

CHAP. III. 1699-1700.

Sir Nicholas Waite addresses letters to the Mogul, charging the London Company with being parties in the piracies in India.

If the first act of Sir Nicholas Waite was violent, it was succeeded by one still more intemperate:—without waiting for the arrival of Sir William Norris at the Court of the Mogul, or knowing whether he would be favourably received; and without even allowing time for his using the information which had been collected, respecting Phirmaunds and grants to the English nation, Sir Nicholas Waite addressed, at once, a letter to the Mogul, accusing the London Company of being sharers and abettors of the piracies, from which his subjects, and the trade of his dominions, had suffered, or, in the Consul's coarse language, "of being thieves and confederates with the pirates;" and then intimated his own rank, as President of the English Company, and Consul for the English nation, and that he was accompanied with a squadron of four men of war, sent by the King of England, to be employed, under his directions, in capturing and punishing the pirates, and obliging them to make restitution of the vessels and property which they had taken from the Mogul's subjects.

Impartial conduct of Commodore Littleton.

The suspicion which Sir Nicholas Waite expressed to the Directors, and to the Ambassador, of the partiality of Commodore Littleton to the London Company, was, on the Commodore's arrival at Surat, refuted by his conduct; for though he did not encourage Sir Nicholas Waite in his arbitrary proceed-against the London Company, (protected by law till September

 1701)

CHAP. III. 1699-1700.

1701) he, at the same time, recognized the rights of the English Company, but declined attending Sir Nicholas Waite, at his public entry into Surat, when he was accompanied by the Governor and his son, because such attendance was not his duty, as a King's officer. The President and Council of the London Company remained, during this ceremony, spectators of what they were sensible, in the opinion of the Natives, would be deemed evidence of their decline.

Sir Nicholas Waite obtains a Perwannah for trade at Surat, and prohibits the London Company's President from granting passes to country ships.

Sir Nicholas Waite, however, on this occasion, obtained a Perwannah from the Governor, granting the English Company liberty of trade, and an exemption from all debts or contracts to which the London Company were liable:—He next demanded, that Commodore Littleton should abstain from all communication with the President and Council of the London Company; but, instead of complying, this officer wrote to President Colt, and his Council, that he would protect vessels sailing under their licence:—to counterbalance this protection, Sir Nicholas Waite ordered Captain Allison, of the English Company's ship Norris, to proceed to the river's mouth, and to stop all vessels wearing English colours, unless protected by his passports, with the exception of the London Company's vessels, and protested, formally, against any obstructions, or force, which Commodore Littleton might employ against this order.

It may be easily supposed, that accusations would be frequent by both parties;—by Sir Nicholas Waite endeavouring to establish his authority, and by the President and Council of the London

London Company, defending their's. Sir Nicholas Waite accused Commodore Littleton of having reported, that the Ambassador, though licensed by the King, was paid by the English Company; of having ordered the King's flag to be struck on board their ships, though he allowed it to be worn by the London Company's ships; and of having neglected to give him that salute, on landing, to which he was entitled, by his character of King's Consul:—not contented with these charges of breach of duty, he accused him of having been bribed by Sir John Gayer, and entered a formal protest against him;—farther, that on the Consul's commission being read to the Governor, he agreed to acknowledge it privately, but it was not publicly recognized, for Commodore Littleton refused to be present at the ceremony to confirm it; and yet the Governor permitted Sir Nicholas Waite to hoist the King's Union flag, a privilege which, had Commodore Littleton been as violent as his accuser, he certainly would have prevented. These proceedings were followed by an accusation against the President of the London Company, for having, (after Sir Nicholas Waite's arrival) given passports to Indian ships; an accusation which Mr. Colt stated to be unfounded, as he had only given recommendatory letters, to such persons as had formerly been in the London Company's service. These tedious proceedings scarcely merit notice, unless to prove, in the very outset, that the opposition of the two Companies was endangering the existence of the English Settlements and trade in India.

CHAP. III.
1699-1700.

The commercial information which Sir Nicholas Waite conveyed to the Court is very limited; after stating that he had found the debts of the London Company not to be so considerable as had been reported, he intimated, that the ship Norris would be dispatched, with a full cargo, to Europe; that the Montague had been let on freight to Persia, and that the Rook Galley had been dispatched for China, and was to return to Mocha.(1)

Precarious state of the Mogul Power in the Carnatic at this period.

As a preliminary to the proceedings of the Agents sent by the English Company, to fix Settlements and establish trade on the COAST OF COROMANDEL, it may be proper to refer to the account which those persons gave, on their arrival, of the political circumstances of the countries with which they were to form a connexion. It may be recollected, that the servants of the English Company had been instructed to subvert the privileges and trade which the London Company had purchased, from the successive rulers in the Decan, and in the Carnatic, during the existence of the kingdoms of Visiapore and Golcondah,

(1)—Letters from Sir Nicholas Waite and Council to the Court of Directors of the English Company, and Correspondence between Sir Nicholas Waite and the President and Council of the London Company at Surat, 9th, 12th, 22d and 26th January, 20th February, 11th and 17th March 1699-1700, and 9th April 1700.—— Letters from Sir Nicholas Waite and Council to the President and Council at Masulipatam, and to Sir William Norris, the Ambassador, 4th and 12th December 1699, 13th, 23d and 25th February 1699-1700, and 4th April 1700.—— Letter from the President and Council at Surat to the President and Council in Bengal, 4th April 1700.—— Letter from Sir Nicholas Waite to the Great Mogul, December 1699.—— Letter from Sir Nicholas Waite to the Governor of Surat, February 1699-1700.—— Sir Nicholas Waite's Protest against Commodore Littleton, and orders to Captain Allison, 12th and 15th March 1699-1700.

condah, and during the long reign, and active military career of Aurungzebe, in his wars to conquer the Decan.

At the time when Consul Pitt arrived, and soon afterwards, Sir William Norris, the Nabob with whom the London Company had been transacting, had been displaced, and "Med-"dea Khan Beague" appointed to that station; but such was the declining state of the Mogul power, at this juncture, that the general impression was, that this Nabob, instead of being established in power by a Phirmaund from the Mogul, was only vested with a Perwannah from the Prime Minister, at the recommendation of the Mogul's eldest son; and, therefore, it became doubtful, whether he really was vested with authority sufficient to protect the London, or to admit the English Company to privileges of trade:—these circumstances in the government of the country, if they made the tenures of the London Company precarious, rendered the applications of the English Company as doubtful, as the grants which they might obtain, either through a Consul or Ambassador, might be temporary and inefficient.

Consul Pitt's intemperate proceedings at Masulipatam.

With the knowledge of these circumstances, drawn from the correspondence of the Agents of the English Company, we are prepared to examine the intemperate proceedings of Consul Pitt (who was also to be President of such Settlements as might be established) and to contrast them with the conduct of President Pitt, his relation, who was at the head of the London Company's government at Fort St. George, that we may discover,

CHAP III. 1699-1700. discover, from the measures of the one, and of the other, the danger to which their opposition exposed the permanence, or safety, of the English trade in that part of India.

In the month of August 1699, Consul Pitt arrived at Masulipatam, and, as his own duty, as well as the object of the Ambassador, prescribed, made applications to the Mogul for protection. As any establishment which the English Company might make, required the employment of persons conversant in the language of the country, he engaged a Signor Manuchy to act as linguist to the Embassy:—this person had been long resident in the country, and had been subservient to the projects of Consul Pitt, at the time when he acted as an Interloper or Private Trader, only.

—solicits a Perwannah for trade, till a Phirmaund should be procured.

When Consul Pitt arrived at Masulipatam, he notified his character to the Factors of the London Company, and required them to attend him, that they might be informed of the powers with which he was vested, by hearing his commission read, and, at the same time, addressed a letter to the Nabob of Golcondah (for such is the title which he gave to the superior of Masulipatam) intimating, also, his arrival, and his character of Consul of the English nation, with a request for a Perwannah to be free from customs on trade, till such time as the Ambassador should obtain a Phirmaund from the Mogul:—the object of these proceedings Consul Pitt explained, to the English Company's Consul in Bengal, to be, the commencement of measures for purchasing an investment, the Perwannah being necessary

necessary to induce the country merchants to open business with him.

President of Fort St. George refuses to submit to his authority, as Consul.

While these events were occurring, Consul Pitt was not satisfied with his reception at Masulipatam, but was disposed rather to accept of an offer of a station, at which he might establish a factory, at MADAPOLLAM. His next step was to notify his arrival, and the nature of his commission, to President Pitt, and the Council, at Fort St. George, the circumstances attending which have been described in the foreign transactions of the London Company. In this situation, the Consul explained to the Court of Directors, that it would be difficult, on account of the state of the country, exhausted by wars and by famine, to purchase an investment, but that his intention was, as he had obtained a copy of the old Phirmaund, from the King of Golcondah, to the London Company, (the only one which had been given, in the name of English nation) to persuade the Native officers, if possible, to allow him the same privileges, under it, which had been conferred on the London Company. Founding on this grant, he intended to settle a Factory at ARMAGON, at which he had got a Cowl for trade; but explained, that this project was impeded by the London Company's Agent, who had impressed the Native officers with an opinion, that the English Company were not entitled to any of the privileges which had been confirmed by the Mogul, to the London Company.

Arrival of Sir William Norris, and

Sir William Norris, the Ambassador, arrived at Porto Novo on the 19th of September, and sent Mr. Harlewyn, one of

CHAP. III. 1699-1700. first proceedings of the Embassy.

of his secretaries, to notify his character to the Native Governor, and to desire information respecting the residence of the Mogul, to whose Court he was about to proceed, and received for answer, that the Mogul was at Visiapore:—on this occasion, Consul Pitt addressed a letter to Mr. Lovell, the London Company's Agent at Masulipatam, notifying the arrival of the Ambassador, and requiring that himself, and the London Company's other servants, should attend the ceremony of his landing. The conduct of Mr. Lovell, and of President Pitt, on this occasion, was marked, for they disavowed the authority of the Consul, or the Ambassador, over the London Company's privileges and interests.

Sir William Norris directs Sir Nicholas Waite to forward the present of ordnance to the Mogul.

This opposition, between the London and the English Companies, accounts for the intelligence sent to Surat, by Mr. Norris, secretary to the Ambassador, respecting his arrival and landing at Masulipatam, on the 25th September 1699, and his request that persons, instructed in the Moorish and Persian languages, might be sent to assist him in his negotiations, and that Sir Nicholas Waite might transmit to him copies of all Phirmaunds, or privileges, which had been granted to the English, with such observations as he had been able to make on the subject; pressing dispatch, as he had been empowered, at the expence of £20,000, to solicit and to procure from the Mogul, an exemption from all duties within his dominions. The Ambassador also desired to know, what farther charges he might incur, in procuring this great object of his mission, and that Sir Nicholas Waite would forward to the Mogul's camp, the train of artillery,

CHAP. III.
1699-1700.

artillery, which had been sent, as a present, by the English Company. Sir Nicholas Waite was, also, ordered to intimate to the President and Council of the London Company at Surat, the arrival of the Ambassador, and that he was to proceed to the Mogul's court, to fulfil the object of his mission.

Reports, by Sir William Norris and Consul Pitt, on the state of the English Company's affairs.

The account which Sir William Norris gave of his own progress, brings into view the state of the English Company's affairs, at the close of this season:—he reported, that after touching at Porto Novo, being in want of water, he put into Madras Roads, where he was respectfully saluted by the Fort, but was afraid to land, lest the captains of the fleet which conducted him, might be influenced against the English Company's interests, by the President and Council of Fort St. George;—that he was in great want of proper interpreters, and that the Native officers had made considerable difficulties in acknowledging his rank, as an Ambassador;—that, from not being furnished with proper equipage, it would be the middle of April, before he could attempt to proceed on his journey;—that, in this interval, he had solicited the Nabob for a Perwannah, granting freedom of trade, till a Phirmaund from the Mogul could be obtained, giving, as the reason for his application for both, that the London Company, would soon be dissolved;—that, though the Nabob had apparently agreed to grant the Perwannah, his Duan had demanded fifty thousand rupees, as the amount of duties on customs, owing by the English Company, since their Factories had been established;—that a farther demand had been made, founded on a complaint

CHAP. III. 1699-1700. made by the Lascars in the fleet, that the wages due to them had been withheld, and that his interpreter had been detained, till this demand was complied with. These insults Sir William Norris resented, as contrary to European ideas of the character of an Ambassador, without reflecting, that such ideas were unintelligible to a Native Chief:—on these grounds, however, he demanded the release of his interpreter, as his detention was a breach of the law of nations, a law which the Nabob did not understand, as he considered the interpreter to be a Vakeel only, a character which was not held in high estimation in Eastern courts:—the demand, however, was complied with; but, it was only from an apprehension that the English were preparing to make an attack on the Nabob's small camp, of about a thousand men, near Masulipatam, from which he speedily retreated. Though the interpreter was released, the Perwannah, for freedom of trade, was not granted; and the account of the Embassy closes, this season, with information, that the Ambassador was preparing to set out on his mission.

The explanations given by Consul Pitt to the Court, of the state of affairs under his more immediate direction, at this juncture, consisted of his opinion, that the charges of the Embassy would be greater than had been estimated;—that the proceedings of the President of the London Company had been insidious, and in contempt of the King's authority, having represented the Ambassador as paid by merchants only, and not sent by the King;—that the investments proceeded with much difficulty,

difficulty, the Native merchants having, by bribes, been engaged in the interest of the London Company, who, satisfied that they could not be called to account, before the expiration of their term, had acted in the most illegal manner;—that their President had issued a protest, prohibiting all under his jurisdiction to pay obedience to the order of the Ambassador, and that Sir William Norris, indignant at this conduct, would not receive the protest, but, desired Mr. Lovell, whom President Pitt had sent with it, to deliver it to his servant;—A copy of it, however, had been sent home, that the Court might lay it before the Secretary of State. CHAP. III. 1699-1700.

Under such circumstances, Consul Pitt stated, that he had adopted every practicable measure for obtaining stations of trade;—that he had solicited a grant of Deverampaut and Madapollam, to be held in the same manner as the London Company held Fort St. George and Fort St. David; and though he had obtained permission to trade for two hundred and fifty pagodas per annum, the removal of the Nabob had rendered it ineffectual; but, that he had purchased a piece of ground at Madapollam, for a thousand pagodas, on which it was his intention to erect a Factory. (1)

(1)—Letters from Consul Pitt and Council at Masulipatam to the Court of Directors of the English Company, and correspondence between Consul Pitt and the President and Agents of the London Company, 26th and 28th July, 2d, 7th, 8th and 26th August, 13th, 19th, 21st and 24th September, 9th November, 13th December 1699, and 14th March 1699-1700. —— Letter from Consul Pitt to the Nabob Ullah Khan, 9th August 1699.—— Letters from Consul Pitt to Sir Nicholas Waite and Council at Surat, 6th September, 21st and 23d

CHAP. III.

1699-1700.
Sir Edward Littleton, in Bengal, prohibits Agent Beard from negotiating the London Company's affairs at the Durbar.

At the time when Sir Edward Littleton, the President and Consul of the English Company, for BENGAL, reached Ballasore, (28th July 1699) the embargo on trade, which the Mogul had ordered, in revenge for the losses sustained by the pirates, though suspended, had not been removed :—this circumstance accounts for the moderation of his conduct, compared with that of Sir Nicholas Waite at Surat, or Consul Pitt at Masulipatam ;—he, however, notified to Mr. Beard, the London Company's Agent at Calcutta, the character with which he was vested, of President for the English Company, and Consul for the English nation, and requested his friendly offices, to furnish him with pilots :— Had this moderation not been accompanied with a kind of interdict on Mr. Beard's and the London Company's authority, it is not improbable that the opposition to Sir Edward Littleton's trading would have been less firm, and that his investment for one ship might have been procured; but, when he ordered Mr. Beard to suspend all applications to the Durbar, and not to interfere with those which the Consul was to commence, Mr. Beard, with great propriety stood on the defensive, and asserted with spirit, the rights of his masters, the London Company :—this firmness was shewn, by taking no notice of Sir Edward Littleton's flag, as he passed

October 1699, 16th January 1699-1700.—— Letters from Consul Pitt to Sir Edward Littleton and Council at Bengal, 10th, 18th and 27th August, and 13th October 1699.—— Letters from Sir William Norris, the Ambassador, to the Court of the English Company, 1st January, and 12th March 1699-1700.—— Letter from Mr. Norris, Secretary to the Embassy, to Sir Nicholas Waite at Surat, 21st October 1699.—— Letter from Lucas, the Interloper, at Ahmedabad, to Consul Pitt, 2d November 1699.

passed Calcutta, and by rejecting his authority, as Consul, over the London Company's Factory and servants :—the other Consuls had complained to the Directors in England, but Sir Edward Littleton, indignant at this reception, addressed a complaint to the Duke of Shrewsbury, then Secretary of State, that Mr. Beard had offered indignities to the King's flag, and disavowed his authority as Consul.

CHAP. III. 1699-1700.

Some months elapsed, before Sir Edward Littleton could, (on the 20th January 1699-1700) obtain permission to trade; and, therefore, he explained to his superiors, that the investment had been purchased with difficulty, and that it would be very late in the season, before the ship could be dispatched. After various applications by the Consul, and refusals by Mr. Beard, a prohibition was fixed on the gates of Calcutta, by order of Mr. Beard and his Council, enjoining all the English, under their protection, to refuse obedience to any orders of President Littleton.

Under such circumstances, Sir Edward Littleton's situation was embarrassing in the extreme :—two of his Council had died, as well as a number of the young men in the civil service, the mortality also extended to the small military force which had been embarked, under a captain, lieutenant, and ensign, intended to form his guard. (1)

(1) —Letter from Sir Edward Littleton to Agent Beard and Council at Calcutta, 28th and 29th July 1699.—— Letter from Sir Edward Littleton to the Duke of Shrewsbury, 1st January 1699-1700.—— Letter from Sir Edward Littleton and Council at Hughly to the President and Council at Masulipatam, 18th February 1699-1700.—— Letter from Sir Edward Littleton and Council at Hughly to the Court of Directors, 16th March 1699-1700.

1700-1.

LONDON COMPANY.

CHAP. III.
1700-1.
The instructions of the Court to their foreign Settlements founded on the Company being continued a Body Corporate.

THE form which Annals must assume, of exhibiting only the series of events, though it interrupts their immediate connexion, has the advantage of bringing forward the effects they produce, and, in the subject we are reviewing, exhibits the aspects of East-India affairs, influenced by mercantile and political rivalship.

That we may connect the questions respecting the rights of the two Companies, as alternately favored by the Legislature, with the instructions given to their servants abroad, for their conduct towards the Country Powers, and towards each other, we shall observe the same arrangement, as in the preceding season.

At the close of the year 1699-1700, an Act of Parliament passed, which continued the London Company a Corporation, of which the opinion of the Court of the London Company, conveyed to the Presidency of Fort St. George, was, that it would obviate any impression which might have been made on the Native Powers, by the Ambassador and Consuls of the English Company, and would shew, that the London Company was not to expire at the specified term, but, on the contrary, that they were to continue in full right to such Settlements, as they had either obtained

obtained from the Crown of England, and such Factories and privileges as they had purchased from the Mogul, or from any of the Native Princes:—this opinion is more fully explained to the General at Bombay, and President at Surat, at the opening of this season 1700-1.

The substance of this explanation was, that, by the Act, their rights to Bombay, St. Helena, &c., were confirmed to the London Company for ever, as derived from the Crown of England, and that the expectations which the English Company had entertained, of getting possession of those Islands, in 1701, as well as of the stations and privileges at Surat, and other ports in India, were now completely at an end;—the advantage, thus, of possession, they trusted, would obviate any impressions, which the pretensions or malignity of their rival might have made, and the fact of their remaining in possession would bring over the opinion of the Mogul, and of the other Indian Powers, to their interests, whatever reports Sir William Norris, and Sir Nicholas Waite, might have promulgated in their negotiations at Court, or mingled with their insinuations to the Governor of Surat:—it was added, that the Consular authority which the Presidents of the English Company pretended to exercise, and the controling power the Ambassador had assumed over all the English in India, were not founded on the Act establishing the English Company, which gave only authority over their own people; nor could any rights which they might acquire, from the Mogul, or other Native Powers, confer on them any authority over the General, and the Presidents of

CHAP. III. 1700-1.

of the London Company; all their pretensions, therefore, in future, were to be rejected as illegal.

Plan of sending Dr. Davenant to India unnecessary, from the powers given to Sir John Gayer.

Aware, however, that there might be some difficulty in removing unfavourable impressions, the Court had engaged Dr. Davenant, who was to proceed to India this season, to counteract the negotiation of Sir William Norris, and to settle a Court of Admiralty in India, before which the pirates were to be tried, and brought to justice:—the powers with which this distinguished person was to be vested were limited to these two objects, only; it being expressly declared, that he was not to interfere in the commercial transactions of the Presidents and Councils, and not to infringe on the authority of Sir John Gayer, as General, with whom the control over all the Company's affairs in India was to remain.

As the season advanced, and when intelligence from the foreign Presidencies was received, explaining the manner in which each of them had acted, in resisting the pretensions of the Ambassador and Consuls of the English Company, the Court became satisfied (after expressing their approbation in the strongest terms) that the project of sending Dr. Davenant to India, had become unnecessary:—it was, therefore, recommended to their General and Presidents, to follow up the same spirited measures; and, as they were now vested with the authority of Parliament, they trusted they would be enabled to counteract all the projects of the Ambassador, or Consuls of the English Company.

Having

CHAP. III.

1700-1.

Pirates to be tried in India, and notice given to the Governor of Surat, that several had been executed in England.

Having thus given their opinion of the relative rights of the London and of the English Companies, the Court informed Sir John Gayer and the President at Surat, that commissions were preparing for trying the pirates in India, and, subsequently, that a Mr. Daniell had been dispatched overland to Bombay, with an authentic copy of the Act of Parliament, for continuing the Company a Corporation, and with a commission, under the Great Seal, empowering their Presidencies abroad to bring the pirates to trial, in India. As this intelligence was of the utmost importance, it was ordered, that if Mr. Daniel should arrive by the 31st August, he was to receive a remuneration of £700, but, if later than that date, of £300 only;—and the General, farther, was to make it known to the Governor of Surat and the other Mogul officers, as well as to the merchants, who had suffered from the depredations of the pirates, that Captain Gillam, and nine other pirates, had been tried and executed in England.

The English Company seize the property of individuals in the London Company's ships; for which the London Company obtain a verdict against them.

An event of considerable importance, affecting the Company's trade at home, had occurred in this season, or an attempt of the Directors of the English Company, on the authority of the Act of Parliament by which they had been constituted, to seize and confiscate whatever property might reach England, belonging to individuals in the London Company's ships, and the following incident furnished them with the means of effecting this purpose :—Captain Heath, one of the London Company's Committees, having lost his seat at the April election, in revenge, transferred his services to the English

CHAP. III. 1700-1.

Company, and was elected one of their Directors:—Heath, who was one of the owners of the ship Neptune, employed in the London Company's service, (the first vessel which had arrived since the establishment of the English Company,) persuaded Captain Lesley, and the purser, to give information what private goods were on board, not under the London Company's mark:—on this information, a parcel of diamonds, and some other goods, belonging to individuals, were seized by the King's officers, as an illicit import, contrary to the Charter of the English Company:—the London Company resisted a pretension, which would have completely overset their trade, and brought the case before the Court of Exchequer, for trial, by a special jury:—the jury, on the 18th June, found a verdict in favour of the London Company, and the Court of Exchequer decided, "that it was no trading within the meaning of the Act "for establishing the English Company, for any of the London Company's servants in India, at any time, to bring home "their estates acquired there."

The English Company, in a few days, applied for a new trial, which, after long pleadings, was refused; and it was admitted, (even by the English Company's counsel,) that all goods, under the London Company's mark, were not matters of dispute.

All private property, in future, to have the Company's mark on the packages.

The event of this trial induced the Court to dispatch a vessel to St. Helena, with private intructions to the Governor, to be communicated to the Captains of each ship, as they arrived, that they should put the Company's mark on whatever private goods were on board, which would prevent the repetition of

of the like claims, and, subsequently, sent similar instructions to this effect, to all their Presidencies:—the consequences of this trial were, that all the other Company's ships, when they arrived, were allowed to deliver their cargoes, without any interruption by the English Company, and that the public opinion of the powers of the London Company was raised, as they paid a dividend of ten per cent. to the Proprietors, which raised the price of their stock to £130 per cent.

Court's orders for an investment affected by the Prohibition Act.

The London Company's trade was, however, this year, affected, by the duty of fifteen per cent. which had been imposed on all manufactured Indian goods imported:—this duty induced the Court to send orders to their foreign Presidencies, to vary in the investments from Persia, and from Surat, by providing, in place of those articles, as much raw-silk and cotton-yarn as could be procured.

Transactions between Mr. Secretary Vernon, and the two Companies, with a view to a Coalition.

In this situation, Mr. Secretary Vernon, by order of the King, notified to the London Company, that, in the preceding year, after the Bill for continuing them a Corporation had passed both houses, but previously to its receiving the Royal Assent, their Governor and Committees had readily agreed to the recommendation of the King, of forming an Union with the English Company, and desired to know what measures had been taken by them, to this effect.

In consequence of this notice, a Court of the Generality (Proprietors) was called, on the 23d December 1700, at which it was resolved, "that this Company, as they have always been, "so are they still ready to embrace every opportunity, by which

CHAP. III. 1700-1. " they may manifest their duty to His Majestie, and zeal for the " public good, and that they are desirous to contribute their " utmost endeavours for the preservation of the East-India trade " to this kingdom, and are willing to agree with the New Com- " pany, upon reasonable terms."

This resolution was communicated to the English Company, by Mr. Secretary Vernon, with a request, to know the terms upon which they were willing to unite with the London Company; and, in consequence, a General Court of the English Company was held at Skinner's Hall, on the 2d January 1700-1, which came to the following resolutions, as "*reasonable terms*," upon which they were willing to unite with the London Company, *viz.* that both Companies should bring home their effects without delay, pay all their debts, and divide the surplus among their respective Proprietors;—that, after a certain day (to be afterwards agreed on) both Companies should cease from exporting goods, separately;—that the £315,000 subscribed by Mr. John Dubois, should be added to the stock of the English Company; —that, to enable the London Company to have their proportionate share in the trade, they should be allowed to purchase £344,000 of the stock of the English Company (in addition to the £315,000 above mentioned) so as to entitle the London Company to one-third part of the whole Joint Stock and trade; —and that the valuation of the Dead Stock of the London Company, and of the Settlements of the English Company, with the expences of the Embassy to the Great Mogul, should be adjusted by arbitration.

In

CHAP. III. 1700-1.

In this situation, Mr. Secretary Vernon desired a conference with the Governor and Committees of the London Company, and informed them, "that His Majesty was glad to find that the "London Company were disposed to unite with the English "Company, on reasonable terms, and that he would willingly "know, from themselves, what those terms are."

A General Court was accordingly summoned, on the 27th January 1700-1, at which it was resolved, "that what terms "may be judged reasonable, they doe humbly conceive must "arise from a treaty, and that they have appointed seaven per-"sons of this Company, to treat with the like number of the "English Company, in order to an Union." (1)

Company's captains authorised by King's commissions to seize pirates, and bring them to trial in India.

Having thus stated the circumstances in which the London Company's rights, at home, were placed, we have next to advert to the instructions, founded on them, under which the commanders of their ships, and their foreign Presidencies, were to act.

The commanders, in consequence of a petition from the Company, to His Majesty, received King's commissions to stop and seize all pirates and their vessels, and to send them to the respective Presidencies, to be brought to trial and condemnation in the Courts of Admiralty, the establishment of which has already been noticed.

Convoys to Judda to be refused, unless the Com-

The General at Bombay was ordered to provide shipping to repel, by force, the aggressions of the Portuguese; and, as far

(1)—Minutes of the General Courts of the London Company, 23d December 1700, and 27th January 1700-1, and of the General Court of the English Company, 2d January 1700-1. (East-India Papers in the State Paper Office, part ii., No. 46, 48, 50.)

CHAP. III. 1700-1.

pany are released from the security-bonds.

far as related to Surat, both the General and the President were to endeavour, by every possible expedient, to divest themselves of any obligations from the Bond of Security, which had been extorted from them by the Governor of Surat, and to refuse sending any farther convoys, with the Mogul ships, to Judda and Mocha, unless security should previously be granted, for payment of the freight:—should this proceeding render the Company's trade at Surat impracticable, discretionary powers were given, to remove the Factory from Surat to "Gounan," in the Mahratta country.

Commercial instructions to Sir John Gayer and President Colt.

The commercial instructions proceeded on the Court's intentions to employ shipping and stock, this season, at least to as large an amount as in the preceding one, explaining, that the Europe goods would be invoiced at prime cost, to facilitate the sale of them; and, with regard to the imports, the order was repeated, to obtain as much Persian raw-silk, and red Caramania wool, as could be purchased, though the Court were aware, that it would be impracticable to engross this last article, as the Persians used such large quantities of it, in the manufacture of carpets. The Court, at this time, requested Sir John Gayer, if his health permitted, not to return to England, because, from his abilities and firmness, they expected he would be able to resist the intemperate proceedings of Sir Nicholas Waite, which had been condemned, even by his own employers; and that he would also check the fraudulent schemes of the Native brokers, and give a more distinct form to the accounts of the Presidency of Surat:—for these purposes, he was vested with

discretionary

discretionary powers to resettle all the inland Factories, if, from observation of the political situation of the country, he should deem it probable, that the investments, by this expedient, could be increased, and the Company obtain a greater and more valuable share of Indian produce for the Europe market.(1)

CHAP. III. 1700-1.

The King of Persia to be solicited to encourage the export of raw-silk.

The favourable aspect of the Company's rights and trade in PERSIA, the account of which had reached the Court, at the close of the preceding year, induced them, early in this season, to improve on the favours granted by the King of Persia, by sending him a valuable present, as a mark of their gratitude;—the present consisted of optical glasses of all descriptions, exclusively, for this sovereign, and a collection of rich sword blades, for his selection, and for presents to his principal officers:—though satisfied with the privileges which had been obtained, a regret was expressed, that the right of exporting raw-silk had not been petitioned for, after the King visited the Factory; Mr. Oliver, therefore, who was now appointed Chief in Persia, and Mr. Bruce, second, were ordered to present a petition for this privilege, which had become of more importance, from the prohibition to import Indian wrought goods, and the

(1)—Letters from the Court to the General and Council at Bombay, 25th April, 3d 8th and 10th May, and 21st August 1700.—— Letter (private) from the Court to Sir John Gayer, 8th May 1700.—— Letters from the Court to the President and Council at Surat, 25th April and 21st August 1700.—— Letter from the Court to the Governor of St. Helena, 28th June 1700.—— Petition from the Company to His Majesty, praying that Commissions might be granted to the Captains of their ships, to capture piratical vessels in the East-Indies, 1700. (East-India Papers in the State Paper Office, Part ii, No. 52.)

CHAP. III. 1700-1. the necessity of having a large supply of raw-silk to accommodate the manufactures in England.

This general instruction comprehended the whole of the Court's views for this season, with the addition, only, that the Agents should recover, if possible, the year's customs in dispute, and act with the same firmness as had been shewn by the Company's Presidents in India, towards the ships or servants of the English Company, should they attempt the introduction of their trade in Persia.(1)

Court's instructions to President Pitt, at Fort St. George, and their approbation of his conduct.

The information which the Court had received from President Pitt and his Council at FORT ST. GEORGE, on the precarious tenure of rights under Phirmaunds, or grants, from the Native Powers, while the country was divided between the Hindoo Chiefs and the Mogul, and while the permanency of the authority of the latter, from his great age was daily becoming more doubtful, induced them to confine their orders, for this season, to two points only;—that of placing the Fort and their other possessions, particularly Vizagapatam, in a respectable state of defence, to resist any attack which might be made on them, on the war in India becoming general, that the Natives might be convinced, the power remained with the London, and the pretensions to it, only, with the English Company; and that of increasing the investment, the shipping and stock being proportionably augmented.

After

(1)—Letters from the Court to the Agents and Councils in Persia, 3d and 4th May, and 21st August 1700.

1700-1.

Exemplification, under the Great Seal, of the Act for continuing the London Company a Corporation, sent to Fort St. George.

After expressing their approbation of President Pitt's conduct, in resisting the claims of Consul Pitt and Sir William Norris, the Court repeated the same information which had been sent to Sir John Gayer, on the relative circumstances of the two Companies in England, and transmitted to him the Act of Parliament, for continuing the London Company a Corporation, exemplified under the Great Seal, to be produced as the best answer to the pretensions of the superior and controlling powers of the English Company. The Court, though satisfied that this document would lower the pretensions of their rival, were aware, that it would have little effect on the Natives, who would rather be influenced by the appearance of strength in the fortifications, and by the London Company remaining in possession of them, than by any European titles of honour, which the servants of the English Company might assume;—it was, however, distinctly explained to President Pitt, that the Ambassador had no public orders from Government, to do any thing to the detriment of the London Company, whatever private instructions he might have received, from the Directors of the English Company; the strongest possible evidence of which was, the decision of a Court of law, which protected all goods having the London Company's mark on them.

Equipments and stock for Coast and Bay.

Though the amount of the stock consigned, this season, to Fort St. George, was considerable, the Court expected that the funds might be encreased, by augmenting the revenue; it was, therefore, recommended, that the beetle and tobacco duties should be farmed, and the rate of taxes equalized, which would

CHAP. III. 1700-1.

be an encouragement to the Joint-stock Native Merchants, by whom it was expected, goods for the investment might, both in price and quality, be brought within the Company's Settlements; and, to render Madras a more desirable residence for the Natives, it was ordered, that vegetables and fruit of every kind should be allowed to be sent to market, free of duties, and the labour of the poor, on the fortifications, accepted, in lieu of their payment of taxes;—farther, to supply the town with fire-wood, trees were to be planted on the Bounds, as a future source of this necessary article.

The ships for the season were seven, for Coast and Bay, with a stock of £450,000. In providing the investment, it was recommended, that the goods should be of the first quality, equal to those which, in last season, had been imported on private account, which were finer, and twenty per cent. cheaper than those which had been received in the Company's warehouses, a circumstance which required the President and Council's particular attention.

New arrangement for the correspondence of the foreign Settlements.

As the correspondence had, hitherto, been without arrangement, and, of course, the communications, from their foreign Establishments, mixed and indistinct, the following method was, in future, to be observed, in all the dispatches to and from India:—the subjects in each letter were to be arranged under six heads; 1st. "*Shipping and Goods sent from England;*— "2d. *Investments in India;*—3d. *Trade in general;*—4th. "*Revenues and Fortifications;*—5th. *Factors, Writers, Officers,* "*and*

"*and Soldiers;*—and 6th. *Matters relating to the New* "*Company.*"

Mr. Gabriel Roberts appointed Supercargo for China, and, on his return, Governor of Fort St. David.

It having been observed, from recent transactions, that there was a want of unanimity in the Council of Fort St. George, which required the renewal of the powers with which President Pitt had been vested, the Court signified their intentions of confirming his authority, and directed, that when any Member of Council, should dissent from the majority, the reasons of such dissent should be entered on the consultations, that the Court might have information of the capacities and dispositions of all their servants;—it was, also, ordered, that Mr. Gabriel Roberts, one of the Committees, or Directors, was to proceed as Supercargo, on the Loyal Cooke, for China, and to return from thence to the Coast:—on his arrival there, he was to be appointed Governor of Fort St. David, with a salary of £100 per annum, and to rank, in Council, next to President Pitt.

General instructions for Bencoolen.

There does not appear, this season, any particular instructions to the Agent at BENCOOLEN, except that he was to communicate with President Pitt, to whom this Agency was subordinate. As accounts had been received, of the unhealthy situation of the place, and as the collections of produce had been scanty, from the constant quarrels among the Rajahs, or petty chiefs, the walls of the Fort were ordered to be repaired and strengthened, barracks for soldiers, and an hospital built, and one hundred Caffrees embarked from Fort St. George, on

 small

CHAP. III. 1700-1. small vessels, intended equally to serve the purposes of trade and of defence. (1)

Equipments and stock for Bengal, and regulations for the navigation of the Ganges.

From the information which had been received of the state of their Factories and trade in BENGAL, and of the conduct of Mr. Beard towards Sir Edward Littleton, the President of the English Company, the Court, (after expressing their fullest approbation of Mr. Beard's proceedings,) ordered him to strengthen the fortifications at FORT WILLIAM as much as could be done, without offending the Mogul's officers:—this measure had become more necessary, from the expectation of the convulsions which must ensue on the Mogul's death; and a supply of soldiers had been embarked, to form a garrison, for whom proper barracks were immediately to be built.

These general directions were accompanied with a repetition of the information given to the other Presidencies, of the relative rights of the London and English Companies, in England, and of the effect of the Prohibition Act against importing Indian wrought goods, after Michaelmas 1701, on which the Court explained, that "such goods were to pay no customs "after that period, but, only two and a half per cent. sub-"sidy:"—this would serve as a relief, by enabling the Company

(1)—Letters from the Court to the President and Council of Fort St. George, 18th and 26th June, 21st August, 20th November, 6th December 1700, 8th and 15th January and 14th February 1700-1.—— Letter (private) from the Court to President Pitt, 15th January 1700-1.

pany to keep the goods in warehouses, for re-exportation, without material loss.

The equipments and stock of this season were enumerated, and of the £450,000, specified to be sent to Coast and Bay, £250,000 was intended for Bengal. To facilitate the provision of investments, authority was given to settle as many inland Factories, as the President might think would enlarge the purchases, particularly those at Cossimbuzar and Patna.

For the improvement of the navigation of the Ganges, the number of pilots were to be increased, and all ships of four hundred tons, and under, were to proceed up the river direct to Calcutta, and ships above that burthen were to go no higher than Ballasore:—farther, to improve the navigation, a "Banksal" was to be built at Kedgeree; and one or two small vessels were to be sent from Surat, or Fort St. George, and employed in this service, on the Ganges.

After repeating the same detail, relatively to the English Company, as given to the Presidencies of Surat and Fort St. George, the caution, to prevent the Company's mark being put on any of the goods of the English Company, is particularly required, as this mistake had occasioned considerable difficulties in England:—the same directions are added, for placing the correspondence under specific heads, as sent to Fort St. George, which were to be, in future, observed by the Presidency of Fort William. (1)

The

(1)—Letters from the Court to the President and Council at Fort William, 21st August, 29th November 1700, and 10th January 1700-1.

CHAP. III.

1700-1.
Direct trade to China encreased, and connected, by circuitous exchanges, with the Peninsula of India.

The opening of a more direct communication with CHINA, in the preceding season, was one of the expedients adopted for enlarging the range of the Company's commerce; but, in the sequel, we shall discover, that the English Company, in this season, resolved to fit out equipments with large stock, to make a similar experiment in the China trade. It, probably, was to counteract the speculation of the English Company, that the London Company resolved to pre-occupy the China market:—Fort St. George had always been the station with which the London Company had endeavoured to connect trade with Java, Sumatra, the Spice Islands, Tonquin, Japan, and recently with China; and being, at this period, more fully established on the Coromandel Coast, and in possession of its trade, without the ancient rivalship of the Dutch, it was concluded, that a direct trade between England and China was more practicable, than on any former occasion, and that circuitous exchanges, between the Coromandel Coast and that empire, would yield a certain profit; the ship, Phœnix, therefore, was taken up for the China trade, to remain in the country for two years, and to trade between Fort St. George and China, while the Northumberland and the Dashwood were to proceed to China direct, and thence return to Europe.

The instructions to the Supercargoes on these vessels were, in substance, the same as in the preceding season, that is, they were to proceed direct for Canton;—to observe the directions given for packing the teas, and procuring other China articles, and, as the British staple of woollen-cloth was invoiced

at

CHAP. III. 1700-1.

at prime cost, to facilitate the sale, the whole reliance for profit was placed on the prices which the China produce would bring, in the Europe market. As a separate instruction, the Supercargoes were to collect all the information they could, respecting the measures which the English Company's vessels, destined for that quarter, had pursued, that, by stock and by purchases, the London Company might counteract them, and obtain a preference in the China market.

As the season advanced, the ship, Loyal Cooke, was also equipped for the China trade, and Mr. Roberts (as has been noticed) one of the Committees, or Directors, appointed Supercargo, to proceed to Amoy, with powers, exclusively, to make provision of China goods, suited to the Indian and Europe markets, and to obtain gold, in exchange, which, on his return to Fort St. George, was to be coined into pagodas at the mint, and applied to the purchase of investments. (1)

Phirmaunds to be solicited, notwithstanding the relaxed state of the Mogul Government.

The enfeebled state of the Mogul's health, and his great age, had encouraged, not only his sons to engage in intrigues for the succession, and to keep their forces ready for action, but had stimulated the Hindoo Chiefs, who had been overawed by the

(1)—Letters and Instructions from the Court to the Supercargoes proceeding to China. 30th October 1700, and 12th February 1700-1 —— Letters from the Court to the President and Council of Fort St. George, 20th November, and 6th December 1700.

CHAP. III. 1700-1.

the Emperor, to prepare armies to take the field, and recover their independence. The Emperor's death was thus anticipated, as the signal for a general war in the Peninsula, in which, whoever might be the victor, the Phirmaunds of which the London Company were possessed, could not be considered as any security for privileges, but only as grants, to which an appeal might be made, in subsequent applications. The European nations, particularly the London Company, however, continued to solicit those Phirmaunds, rather to impress the Mogul Government with an opinion of their obsequiousness, than with the hope of deriving permanent advantages from them. During this suspension of the energies of the Mogul Government, and under the dread of a civil war, the European Companies, having Factories, had recourse, on every occasion, to expedients and to bribes, at the Mogul's Court, and submitted to have these doubled by the extortions of the Native Governors, whose situations being precarious, impelled them to amass that wealth, with which they could purchase their continuance in office, or conciliate a new Sovereign, and new ministers, for protection :—these feelings, both of the Native Governors, and of the Company's Presidencies, rendered negotiation expensive, and the evasion of extortions frequently impracticable.

Danger to the East-India trade, from the solicitations of the two Companies for privileges.

At no period in the history of Indian affairs, could the appearance of opposition and animosity, between the subjects of the English nation, have been more ill timed or absurd, both because the distinction of Companies, proceeding on grants of the Crown of England, or on grants derived from an Act of the

the English Legislature, could not be understood, in a distant country, or under a government arbitrary in its character, and dependent for its permanency, on the issue of civil wars for the succession, and because, whoever might be the victor, the Hindoo Chiefs would seize every opportunity to throw off their dependence on an Empire founded on conquest, and resting only on the uncertain result of battles.

CHAP. III. 1700-1.

Such was the actual state of India, at the period when the servants of the English Company were to negotiate, by an Ambassador and by Consuls, for the acquisition of the privileges, under which the London Company, for a century, had acted, and been enabled to preserve a direct intercourse between England and the East-Indies. It may be easily supposed, that the servants of the London Company would struggle to preserve their privileges and trade, at the risk, sometimes, of their lives, and, frequently, of losing the property and trade of their employers.

It is painful (even at this distant period) to trace the consequences of the mistaken policy in England, which exposed its subjects abroad, to such perils, and their commercial relations with the East-Indies, to such dangers; and a review of the events, as they occurred, will afford strong evidence of the folly of departing from practice, and relying on specious theories, in a subject, of all others, the least calculated to admit of them, or the navigation and trade of a commercial kingdom.

The misrepresentations of Sir Nicho-

Sir John Gayer and President Colt, who had the administration of the London Company's privileges and trade in the West of India,

CHAP. III.
1700-1.
las Waite produces an order from the Mogul to stop the London Company's trade at Surat.

India, were exposed to great difficulties, from the political state of India, and from the conduct of the Interlopers and pirates, at the opening of the season 1700-1, when, Sir Nicholas Waite arrived at SURAT; and, whatever merit may be assigned to this Agent of the English Company for his zeal, it was chance, not prudence, that prevented his bringing ruin on himself, and on his opponents.

The first measure of Sir Nicholas Waite have already been mentioned, or that, by his own authority, he removed the flag of the London Company, and that this rashness was corrected, by the interference of the Governor of Surat, to conciliate whom he was obliged to give a large present, before he could obtain permission to hoist the King's flag, on the house which he hired :—not satisfied with this public mark of his Consular authority, he affixed a notice on different places in the city, prohibiting all persons from taking passports from the London Company :—this second act of indiscretion, the Governor checked, by ordering the notices to be torn down. In this stage of the proceedings, the men of war arrived, but the commanders of them were at a loss which Company to support, the London Company, whose privileges even the Act of Parliament had continued, till September 1701, or the English Company, which assumed to themselves the control, not of the Interlopers only, but of the London Company's trade and affairs.

These circumstances account for the inactive conduct of the King's officers, who, instead of proceeding to suppress the pirates, suspended all operations, till the Agents of the two Companies could explain, in what manner they could afford protection

protection to each. President Colt, with reason, complained to the Commander of the Fleet, that the London Company's estate had been exposed to danger, and that the demands of the Governor, founded on the Bond of Security which had been extorted from him, were excessive, particularly the payment of a compensation for a Turkish vessel, belonging to Hossan Ammeddon, brother of the Sherif of Judda, taken by the pirates in 1698. In this state of affairs, an order came from the Mogul, proceeding on information received from the English Company's Agents, that the pirates were, in fact, no other than the London Company's vessels, and, therefore, that their servants were not to be permitted to go out of the city:—in this distress, President Colt and his Council applied to the Commanders of the King's ships for protection, and presented petitions to the Governor, and to his son, for their freedom:—in answer, they were told, that the Mogul's order was so positive, that though provisions might be allowed to be sent to their ships at Swally, the trade must remain at a stand, till compensation should be made to the Turkish merchant.

Substance of correspondence between Sir Nicholas Waite and President Colt, on this occasion.

This state of affairs opened a correspondence between President Colt and Sir Nicholas Waite, in which the former accused the latter of having, by large presents to the Governor, influenced him against the London Company, and in which the latter denied that he had accused them of being pirates, but declared his intention of not taking their servants under his protection, adding, that they must be answerable for their debts; a responsibility to which President Colt

3 B 2 could

CHAP. III. 1700-1. could have no objection, if, by debts, was to be understood their lawful debts, but not sums which might be demanded of them, by way of compensation, to make good the depredations of the pirates.

This explanation brought matters, between President Colt and Sir Nicholas Waite, to issue; the one, satisfied that he had animosity and pretensions to superior authority, to expect; and the other, that compliance with these pretensions, was a sacrifice, to which the servants of the London Company would not submit:—Mr. Colt, that he might render the business no longer doubtful, by a formal protest, disavowed any authority which Sir Nicholas Waite might pretend to have, over the concerns of the London Company:—a correspondence, on this subject, also commenced, in which Mr. Colt adhered to this principle, and Sir Nicholas Waite continued to assert his powers, as Consul for the English nation.

The question respecting the claim of the Turkish merchant continued to be urged by the Governor, and to be waved by President Colt, who offered a bribe to him, and to his son, to soften their rigorous measures, under the order of the Mogul, but refused to pay the compensation, because this would be admitting that the London Company's ships had, in fact, been the pirates:—In this dilemma, the President requested Sir John Gayer, as soon as the Company's shipping should arrive at Bombay, to appear, himself, off Surat, and by his own authority, endeavour to get the dispute adjusted, in which event, the port would

be opened, and the goods, which had been prepared for the investment, put on board.

Every day produced some new event, to heighten the embarrassments of the Presidency. The Governor next demanded, that, should the pirate vessel which had robbed the Turkish merchant be taken, Mr. Colt should give an obligation that it should be brought to Surat:—this Mr. Colt refused, as beyond his power, and could only have recourse, in this distress, to the expedient of not granting recommendatory letters to the merchants, such as he had given since the arrival of the English Company's Consul.

The Governor of Surat continues to oppress the trade of the London Company.

In the month of November 1700, Sir John Gayer appeared off Surat, and affairs became more urgent, by the Governor requiring Sir Nicholas Waite, to give his security for any damages which the London Company's ships might do to the merchant vessels belonging to the port; a demand which he evaded, by offering to give this security, on condition that the London Company should be excluded from the trade. Under these circumstances, the Governor seized the letters of President Colt to Sir John Gayer, and had recourse to the English Company's servants to translate them:—this insidious task heightened the difficulty, both because the accuracy of the translation was questioned by President Colt, and because the Governor was still unwilling to proceed to extremities, under the Mogul's order, lest the trade should be lost to Surat. This hesitation still kept the servants of the London Company in suspense, for the Governor threatened,

CHAP. III. 1700-1.

threatened that, unless compensation should immediately be made to Hossan Ammedon, the Mogul would require eighty lacks of rupees, calculated to be the amount of all the losses sustained by the pirates, since the year 1685.

The transactions with the Governor, at last, terminated in his promising to write to Court, about the business of the Turkish merchant, and to allow the goods to be sent to Swally, provided the treasure should be brought on shore, as this would, better than any other act, confute the insinuations of Sir Nicholas Waite, and prove the confidence which the London Company had in the Mogul's justice.

Sir William Norris arrives at Surat, and, by large bribes, obtains permission to make a public entry.

Affairs were in this state of confusion, in the month of December 1700, when Sir William Norris, the Ambassador, arrived at Surat, from Masulipatam, from which port all his efforts, as will appear in the sequel, to proceed, by Golcondah, to the Mogul's camp, had proved ineffectual.

The proceedings of Sir William Norris were equally intemperate as those of Sir Nicholas Waite, in whom he placed his principal confidence. His first order was to strike the Union flag on the London Company's ship, Tavistock, which the captain (from Sir John Gayer being on shore) imprudently obeyed :—this incident induced the Native officers to believe that Sir William Norris's rank was superior to that of Sir John Gayer, who immediately ordered the flag to be rehoisted.

The fortunate arrival of the Act of Parliament, which continued the London Company a Corporation, was immediately notified

notified to Sir Nicholas Waite, and again put the claims of the respective Companies more on a state of equality.

It was to retrieve the affairs of the English Company, shaken by this event, that Sir William Norris, at the great expence of a thousand gold mohurs to the Governor, five hundred to his son, and three hundred to two of his principal officers, obtained permission to make his public entry into Surat:—these payments, President Colt concluded, would render it impossible for Sir Nicholas Waite to dispatch the English Company's ships with full cargoes:—not satisfied with this profusion, Sir Nicholas Waite gave another bribe of three thousand gold mohurs to the Governor, if he would stop the London Company's trade, till the ships of the English Company should be dispatched; by these means he again threw the London Company's trade into the utmost distress, the Governor pretending that a Turkish ship had been taken by the pirates, with the knowledge of President Colt, and it was not till the 30th of December, that this pretext was laid aside, and the ships allowed to be laden, and to proceed on their voyage.

Sir Nicholas Waite, by order of Sir William Norris, in the next place, formally notified to Sir John Gayer, that the Ambassador's commission would be publicly read, on the 28th December, and required that he, and all the English under his authority, should be present:—in answer, Sir John Gayer disavowed all dependence on the Ambassador or Consul, even under their own Act of Parliament; but, as an Act had passed continuing the London Company a Corporation, he protested, that neither the Ambassador,

CHAP. III. 1700-1.

Ambassador, nor the Consul, had the least authority over the servants of the London Company.

Sir John Gayer sends an Armenian Vakeel to Court.

As neither the presence of Sir John Gayer at Surat, nor his, and President Colt's applications to the Governor, could relieve them from the demands for compensation, for damages done by the pirates, and as Sir William Norris, instead of abating the insinuations against the London Company, had brought accusations, not only before the Governor, but had forwarded them to the Mogul, the seizure of the Company's property, and the imprisonment of their servants, were again apprehended; it was, therefore, on consultation, resolved, to send an Armenian Vakeel to Court, to assist the Vakeel which President Pitt had dispatched from Madras, in frustrating Sir William Norris's plans, who was now preparing for his journey. It was farther determined, that, as far as the Act of Parliament in favour of the English Company, could be counteracted by the Act, which continued the London Company a Corporation, that such part of the London Company's Act, as was necessary for the information of the Mogul and of his ministers, should be translated into Persian:—the event, however, soon discovered, that, in the view of these people, it was neither an Act of Parliament in favour of the one, nor of the other Company, but the amount of the presents, or bribes, which each, or either, could pay, that would procure protection, or Phirmaunds.

The Governor of Surat, at this crisis, sent his son to know, if President Colt would give three lacks of rupees to the Mogul, and, at the same time, made a similar demand on Sir Nicholas

CHAP. III. 1700-1.

Nicholas Waite. In the application to President Colt, the Governor's son intimated, that Sir Nicholas Waite had given a written promise for four lacks of rupees, and that this document had been sent to Court; but if the President would promise to give three lacks, the Governor would write to Court, in favor of the London Company, and obtain an order to have the English Company excluded from the trade; that is, the Governor was putting up the privileges of trade to sale, and would grant them to the highest purchaser:—in one respect, however, it was evident, that the Governor had not the same opinion of the capacity of the English Company to pay, as he had of the London Company, for he offered to sell the Mogul's favor to the latter, for a less sum than he pretended had been promised to him by the former; and this opinion he could not but entertain, from having observed that the Consul was much pressed for money, and anxiously expecting the arrival of shipping for his relief.

Sir William Norris seizes two Members of the London Company's Council at Surat, and the Secretary, and delivers them prisoners to the Governor.

The next measure of Sir William Norris was still more intemperate, and discovered, that neither precedence, nor commercial advantages, were the motives of Sir Nicholas Waite, or the Ambassador, but disappointment, and revenge on the London Company's servants, to whom they attributed the opposition and difficulties they had experienced. Sir Nicholas Waite, on the 22d January 1700-1, applied to the Governor to have the London Company's servants put in irons, for an insult which, he asserted, had been offered to the Ambassador:—when this demand was

 refused,

CHAP. III. 1700-1.

refused, Sir William Norris seized Mr. Wyche and Mr. Garnett, two of the Council of the London Company, and Mr. Richardson, their Secretary, put them in confinement, and then delivered them to the Governor, "with their hands tied," who detained them, till they found security for their appearance before him, when called. Against this outrage on English subjects, (servants of a Company, whose term, even by the Act constituting the English Company, had not expired, and who had been continued a Corporation,) Sir John Gayer protested, on the 25th January 1700-1, declaring the Consul and Ambassador responsible for this injustice, and, at the same time, presented a petition to the Governor of Surat, praying for his protection, and that he might be allowed to take a copy of any accusations against him by the English Company, that a true state of the case might be transmitted to the Mogul:— Two days afterwards, on the 27th January 1700-1, Sir William Norris set out from Surat, on his journey to the Mogul's Court, and his progress will be traced in the foreign transactions of the English Company, this season.

Sir John Gayer, President Colt, and the Council of Surat, seized, by order of the Mogul.

Not contented with this violence, Sir Nicholas Waite seduced one of the Factors of the London Company, to steal and deliver to him, copies of all letters which had passed between President Colt and Sir John Gayer, that they might be given to Sir William Norris.

Whether the unfounded representations of Sir Nicholas Waite were more listened to, at the Mogul's Court, than the memorials of Sir John Gayer and President Colt, it is impossible to determine,

CHAP. III.
1700-1.

determine, though it is probable, from the report of the Governor, that he could not draw from either Company the sums required, and considered the London Company as most capable to make payments; for an order arrived from the Mogul, on the 8th February 1700-1, to seize on the property and servants of the London Company. Under this order, Sir John Gayer, President Colt, and the Members of Council, were confined, and "barbarously used;" and what confirms the suspicion, that this treatment was referable only to an opinion that they could pay better than their opponents, was an offer by the Governor, that if two lacks and a half of rupees were paid to Hossan Ammedon, and other merchants who had suffered from the pirates, they would not only be set at liberty, but allowed to proceed with their trade:—with firmness, however, the General, President, and Council, refused compliance, and remained in confinement, and, at length, owed their partial deliverance to a representation made by the Surat merchants, that they could not send their ships to sea, unless they were furnished with recommendatory letters by the President of the London Company:—the Governor, to obtain these letters, allowed them to return to their Factory, and proceed with their business, but confined the General and President to their house, on which he placed a guard.

Sir John Gayer recommends withdrawing the London Company's Factory from Surat.

Affairs were in this situation, when Sir William Norris was on his journey to Court, and when the Armenian Vakeel, sent by the London Company to counteract his negotiations, reached Aurungabad, and received intelligence that the Vakeel

of

CHAP. III. 1700-1. of President Pitt had arrived, and had been favorably received. Sir John Gayer, however, appears to have been so doubtful of the result of these untoward events, that, in his private letter to the Court, 20th March 1700-1, he suggested the plan of withdrawing the Factory from Surat, for some time, in which case, all those demands which had been made on the London Company, for compensation to the Mogul's subjects, for losses by the pirates, would be immediately transferred to the English Company, who would then experience the same oppressions which they had brought on their opponents;—this measure he held to be the more necessary, as a Surat ship had lately arrived, which had been plundered by a pirate, which satisfied him (notwithstanding the appearance of favor in the Governor) that new demands would arise for reparation of this loss.

Four ships sent to England with an investment.

In this situation, we have to leave, for this season, the London Company's affairs, in the West of India, and it may be easily presumed, that the state of their trade could not be prosperous. In the beginning of the season, the President and Council reported, that they had provided cargoes for four ships, which had exhausted their stock, and occasioned a debt of 288,000 rupees, and, therefore, requested, that a large stock might be sent, by the ships of next season, as the only effectual means of counteracting the projects, and depressing the trade of their adversaries. As the season advanced, they represented, that, under all their difficulties, they had made provision for a sufficient investment, but, were not permitted to ship the goods; —that,

—that, besides, they had not been allowed a place in the mint to coin money, but, notwithstanding the clamours of the brokers, they anticipated being ultimately successful, in excluding their rivals from the trade of Surat; adding, that they had procured a plentiful supply of pepper from the Malabar Coast, but had got a very small quantity of Agra goods, the roads from that city being infested with robbers, from the relaxed state of the government, and the prospect of civil wars(1)

CHAP. III. 1700-1.

State of the Company's rights and trade in Persia.

The Company's interests in PERSIA, during this season, were supported by a Rogom, which had been obtained for payment of the arrears of customs, amounting to nine hundred and eighty-one tomands; but, the Agent had been obliged to comply with the custom of giving the Shahbunder a present of fifty tomands, as a compensation for his making this payment:—Mr. Owen, the Agent, had gone from Gombroon to Ispahan, to settle a dispute about rank, and payments, between Agent Bruce and

(1)—Letters (general) from the President and Council of Surat to the Court, 20th April, 28th December 1700, 7th and 20th March 1700-1.—— Letter (private) from Sir John Gayer to the Court, 20th March 1700-1.—— Letters from the General and Council, and from the Deputy Governor and Council of Bombay, to the Court, 10th May 1700, 25th and 27th March 1701.—— Letters from the Presidency of Surat to the General and Council at Bombay, 14th and 18th November 1700.—— Correspondence between Sir John Gayer and the President and Council at Surat, 25th and 27th November, 1st, 2d, 3d, 4th, 5th, 6th, 10th, 12th, 13th, 14th, 16th, 17th, 18th, 20th, 24th, 26th, and 27th December 1700, 2d, 3d, 4th, 8th, 10th, 13th, 15th, 22d, 23d, and 28th January 1700-1.—— Correspondence between Sir John Gayer, the President and Council of Surat, and Sir Nicholas Waite and his Council, 14th, 16th, 18th, 19th, and 24th October, 9th and 18th November, and 26th December 1700, 3d, 25th and 31st January 1700-1.

CHAP. III. 1700-1. and the Armenians and brokers, that the trade might not suffer from the claims of the former, and the delays and exactions of the latter:—Agent Owen, on this occasion, suggested, that if, in future, it should become necessary for the Company to employ force, for the preservation of their privileges and trade in Persia, it would be expedient to take possession of the Island of "Barrein" near Bussorah, a station which would not only afford a proportion of Persian produce, but, enable the Company's cruisers to overawe the trade.

The state of the trade, on the whole, was favorable, from the Agent having represented to the Government at Bombay, the necessity of sending a vessel to Gombroon, to take off a large quantity of silk, chintzes, and Caramania wool, and from the interference of the only ship belonging to the English Company, which had touched at Gombroon, having been more regular and proper, than in any other instance which had occurred within the Company's limits. When the commander of this ship, the Montague, was informed by the Agent, that the London Company had obtained an Act for continuing them a Corporation, and was warned not to attempt disturbing their rights or trade, he behaved with deference towards the Agent, and conducted his purchases and sales with mercantile propriety:—The Agents, at this time, informed the Court, that looking-glasses, and woollen-cloths, were the only articles, in the Company's exports, vendible in the Persian market. (1)

At

(1)—Letters from the Agent and Council at Gombroon and Ispahan to the Court, 29th October, 19th November 1700, 14th February, and 24th March 1700-1.

CHAP. III.

1700-1.

Measures of President Pitt at Fort St. George, to resist the authority of the English Company's Ambassador and Consul.

At Fort St. George, we left President Pitt and his Council, in the former season, resisting the pretensions of Consul Pitt and Sir William Norris, to assume authority over the London Company's servants on the Coromandel Coast, as merchants, who came under the common description of "*English*," over whom they assumed Consular powers, and a right to the privileges which they enjoyed:—in this season, the intercourse between the President and his Council, and the Consul and Ambassador, continued in the same situation. In reviewing the transactions of the Presidency of Fort St. George and its dependencies, we found, from the communications between President Pitt and Sir John Gayer, that the former adhered strictly to the same firm resistance to the claims of the English Company, but, carried it, perhaps, farther than either the General, or the President, of Surat had done. Having received information that Sir Nicholas Waite had threatened to interrupt the London Company's ships and trade, passing from the Coromandel to the Malabar Coast, President Pitt avowed his resolution to fit out a strong privateer, and make reprisals, on the English Company's ships, wherever they could be found:—but this menace not having been carried into effect, the retaliation was happily prevented; President Pitt, however, expressed his fears, that much damage might be done to the country ships, as he had received intelligence that six pirates were cruising on the Coast of Coromandel.

The

CHAP III. 1700-1. New Agent and Council appointed for Masulipatam.

The only alteration in the Company's establishments under this Presidency, during this season, was, the appointment of a new Chief and Council for the Factory at Masulipatam, the former Agent and Council being suspected of having acted with less spirit and firmness than President Pitt required, and having, in his opinion, rather favoured the interest of the English Company:—after, therefore, assuring the Court, that neither himself, nor his Council, were alarmed at the powers which the Ambassador and Consul had arrogated, he added, that though only a small part of the investment had been obtained at Vizagapatam (the country in the vicinity of that station having been desolated by the contending armies of the Mogul and Hindoo Princes) he had been able to dispatch all the ships of the season richly laden for Europe, and had in store four hundred bales of Coast goods, ready to fill up the vacant tonnage of such of the Bengal ships, as might touch at Madras, in their passage to Europe.(1)

Deficiency of information respecting Bengal and Bencoolen.

In this season there is a deficiency of information, not only respecting BENCOOLEN, of the trade and circumstances of which President Pitt reported that he had received no intelligence, but, what is more extraordinary, neither from the correspondence between Madras and Bengal, nor from that between Madras and Surat, does any evidence occur, respecting the

(1)—Letters from the President and Council of Fort St. George to the Court, 15th and 21st October 1700.—— Letter from the President and Council of Fort St George to the General and Council at Bombay, 16th September 1700.—— Letter from the President and Council at Fort St. George to Consul Pitt at Masulipatam, 9th January 1700-1.

the state of the London Company's Settlements or trade in Bengal.

CHAP. III. 1700-1.

ENGLISH COMPANY.

The English Company depressed, by the Act for continuing the London Company a Corporation.

If, in the last year, the pretensions of the English Company had been lowered, by the Act continuing the London Company a Corporation, the improbability of an Union, during this season, still farther depressed them in the public opinion; the instructions, therefore, of the English Company to their servants, assumed a more mild character:—the London Company had not only been continued a Corporation, but had resisted approaches to an Union, and the reports of their own servants abroad, that the Presidencies of the London Company had not only protested against, but, in fact, disavowed their authority, even when they knew not that the late Act had passed, and much more after receiving intelligence of that event, convinced the Court of the English Company, that threats and violence would rather injure, than improve their circumstances.

The English Company recommend moderation towards the servants of the London Company.

On receiving the first letters of the season from the Coromandel Coast, which reported the proceedings of Consul Pitt and the Ambassador, on the Coast, and, subsequently, those from Surat, informing them of similar proceedings of Sir Nicholas Waite against Sir John Gayer, and President Colt, the Court expressed their regret, that animosities, which were equally destructive to both Companies, had been carried to such

 extremities,

CHAP. III. 1700-1. extremities, and sent a general instruction, that the whole of this system must be changed, because, the London Company being continued a Corporation, it would be expedient to endeavour "to out-trade" this rival, as the only means which could be effectual, and, for this purpose, ordered that all Englishmen should be treated with civility and respect.

It is probable, that this change of disposition in England was confirmed, by the decision of the Court of Exchequer, in the case of the ship Neptune, and it is remarkable, in the letters of the Court to their servants at SURAT, that they avoided any but the most general reference to this event; but, to obviate the effect which the accounts of it might have in India, they represented that many of the Proprietors of the London Company had offered to pay the five per cent. attempted to be levied on the London Company, to defray the charges of the Embassy:—no evidence, however, is adduced, of their having accepted such offers; the probability, therefore, rather is, that the whole was invented to soften the impression on their foreign servants, which the accounts of this legal decision might have produced:—this conjecture is strengthened, by the general permission given to any person in India, to send home diamonds in their ships, under Consul Waite's licence, on payment of the regulated freight and duty, though the money, with which such diamonds had been purchased, had not come out, as an adventure, in the ships of the English Company.

Sir Nicholas Waite's intemperate conduct disapproved.

On reviewing the conduct of Sir Nicholas Waite, the Court were of opinion, that, in his capacity of Consul, he was not vested

vested with authority to remove the London Company's flag, from their Factory at Swally, and that this measure could not but be resented, as it had been, by the Mogul Government, the authority of the Consul not extending beyond what the Indian Governments would allow. He was, therefore, ordered to direct his attention to obtain the same privileges from the Governor of Surat, as those which the London Company enjoyed, and to leave the Phirmaund which the Ambassador was to solicit, to his negotiations with the Mogul, in which it was hoped, he would acquire the sole privilege of granting ships' passes.

Equipments and stock of the English Company for Surat.

On examining the commercial statement of Sir Nicholas Waite, the Court blamed the negligence of the Factors, who had been previously sent to Surat, for not having obtained a proportion of the investment for the first ship, before his arrival; and then informed him of the following equipments and stock for the season:—the Susannah, of three hundred and fifty tons, with a stock estimated at £33,580; and the Rebow, a ship of rather smaller size, with an additional stock, estimated at £13,946; explaining that the reason for the equipments being on so small a scale, was the difficulty of obtaining vessels, on account of the war expected in Europe, in consequence of the Spanish Succession.(1)

There does not appear, in the Court's instructions to Sir Nicholas Waite, any orders to extend the English Company's trade

(1)—Letters from the Court of Directors of the English Company to Sir Nicholas Waite and Council at Surat, 9th May and 7th September 1700, 24th March 1700-1, and 11th April 1701.

CHAP. III. 1700-1.

trade on the Malabar Coast, but to use his best endeavours to improve the trade at Surat.

A Factory at Mocha projected.

In this season, the Court resolved to open a trade between England and the Red Sea, for which the ship Discovery was taken up, and stock, estimated at £36,367, intrusted to two Supercargoes, who were to proceed to MOCHA:—their instructions were, to examine the Coast to the Northwards of the Cape of Good Hope, and endeavour to discover, if, on that part of Africa, any harbour could be found, which would admit of large ships;—to dispose of part of the cargo on this Coast, in exchange for drugs and elephants' teeth;—to proceed from it to Carrasin, at the entrance of the Red Sea, with similar objects of trade, and thence to their port of destination, at which they were to purchase an investment of myrrh, aloes, olibanum, balm of Gilead, and coffee, but no assafœtida; and, if possible, to establish a Factory at Mocha, which might be exempted from payment of customs.(1)

The instructions of the English Company to Consul Pitt, on the COAST OF COROMANDEL, assumed the same moderate tone with those for Surat, and referred, in general, to the ineffectual attempts which had been made at an Union with the London Company:—the substance of these instructions was, that Consul Pitt was to endeavour to rival the London Company's trade, without arrogating powers to command, or to control their

(1)—Instructions from the Court of Directors to the Supercargoes of the Ship Discovery, on her voyage to Mocha, 10th October 1700.

their proceedings, and for this purpose, the equipments and stock were prepared, on a scale to render the competition between the two Companies, in India, commercial only.

The instructions to Consul Pitt recommend rather commercial rivalship, than assumption of authority, on the Coromandel Coast.

On the subject of an Union, it was stated, that the London Company would only coalesce, on the English Company accepting the terms which they had offered, that is, that the English Company should consent to come under whatever obligations the London Company had incurred:—the business, however, had been referred to their Court of Proprietors, who decided, that they would not unite their stock, on any terms, with that of the London Company, but would keep it separate; a condition which the London Company rejected.

Though this state of the negotiation discovered that considerable animosity existed between the Proprietors of the London and English Companies, it does not appear to have influenced the orders of the Court of Directors to their servants on the Coast, where the opposition between their Consul, and President Pitt, as well as between the latter, and the Ambassador, were held to be rather subjects of regret, than of approbation:—they recommended, that if President Pitt would not acknowledge the character of Consul Pitt, the latter should abstain from all quarrels on the subject, because, by courteous behaviour towards him, and the Natives, he could, better than by any other means, introduce the English Company into a share, and, in all probability, to a preference in the markets:—this moderation, (as

CHAP. III. 1700-1. (as in the instructions to Surat,) evidently arose from the conviction, that the Act continuing the London Company a Corporation, and the decision in the case of the ship Neptune, would confirm them, as a rival in trade to the English Company.

The Court's instructions to Sir William Norris were, that he should endeavour to procure privileges, in general terms, and the admission of the Company's Consuls to the rank of King's ministers, as otherwise their authority would not be recognized by the English subjects in India;—that the temporary grant of the *chop*, allowing trade, had very properly been placed upon the old grant from the King of Golcondah, in 1675, which, in general, was to the English Nation, a basis on which the Court trusted the Phirmaund would be obtained by the Ambassador;—that, in particular, it would be important to get the privilege of a mint for coining their gold and silver, at Madapollam, the principal seat of their trade, and permission to examine all English ships which might be carrying on illicit trade in Mogul ports, and to condemn them,—that he ought to establish stations at "Porto Novo, Canara, and Kistnapatam;" but not attempt a Factory at St. Thomé, on account of its vicinity to Fort St. George;—and that Sir Streynsham Master, one of the Directors (a person whose transactions in the service of the London Company, and his dismission from Bengal, has been noticed in their Annals) had advised a Factory at "Careda," to the northwards of Armagon.

The

Equipments, stock, and commercial instructions for this Coast.

The equipments and stock for the season were as follows:—the ship Eagle, with a stock estimated at £40,000; the Stretham, with £13,500 in silver and goods; the Bengal Merchant, with £14,700 in silver, and £3,800 in goods; and the De Grave, with £15,000 in silver, and £4,000 in goods; —or, that the stock for Coast and Bay, for this year, was estimated at £200,000.

The general instructions were, that the homeward-bound ships should be dispatched early in the season, that, like the Dutch Indiamen, they might reach the Cape in the month of April; but, by no means, to touch at the Mauritius, from the probability of a war with France:—that, to promote their dealings with the Country Merchants, one ship should always remain in India, to be employed on freight; but, that greater care must, in future, be taken, in the purchase of goods at all their Presidencies, from the facts, that the London Company had sold Surat cloths, equal in quality, twenty per cent. cheaper than the English Company; and that the Coast goods, at their sales, were, in every respect, superior, having brought in the market £5, £6, and £7 per piece, while those of the English Company sold for forty shillings only, and yet both were liable to the same duty of fifteen per cent., "by which means their opponents "were getting rich, while they, from this cause, were becoming "poor:"—that they would rather prefer purchasing for money, than making advances to the Native merchants, or artificers, by sending Dubashes, or Agents, to the several markets, particularly in the Gingee country:—that, to encourage their servants, they were

CHAP. III. 1700-1. were allowed the privilege of trading, from port to port, in India, and even inland, provided such trade did not include articles in the Company's investment;—and, farther to extend the English trade, the Court allowed a Mr. De Paz to proceed to the Coast, as a Free Merchant; an innovation the more remarkable, as the London Company had not been in the practice of permitting any, but their own covenanted servants, immediately under their control, to attempt a private trade in the countries within their limits.(1)

Equipments, stock, and commercial instructions, for Bengal.

The orders of the Court of Directors to Sir Edward Littleton, their Consul in BENGAL, discover the same moderation, and change of system, with respect to the London Company, as had been given to their Consuls at Surat, and on the Coast:—in this season, however, it appears, that the Court were determined (as expressed in a former article) "to out-trade" the London Company in Bengal. The equipments were, the Eagle, with a stock estimated at £42,390; the Stretham, with £71,300; the Bengal Merchant, with £62,350; the De Grave, with £62,800; and the Catherine, with £12,000:—this number of ships, and amount of stock, evidently discovered the intention to be, to bring as large a quantity of Bengal produce, of the best kinds, into the English market, as possible, and, in particular, to import, for the encouragement of manufactures, raw-silk, to the amount of £100,000.

The

(1)—Letters from the Court of Directors of the English Company to their President and Council on the Coast of Coromandel, 5th April, 9th May, 7th September, 28th November, 19th December 1700, and 13th February 1700-1.

The only separate instruction was, that in any grant which they might obtain, they were to avoid the condition of paying three thousand rupees, for permission for each vessel to load, and procure an exemption from stoppage of their boats on the Ganges by the subordinate officers; a practice which had retarded their trade, and prevented the sailing of the homeward-bound ships.(1)

CHAP. III. 1700-1.

Equipments, stock, and commercial instructions for Borneo.

In the preceding season, the Court, from a desire to have a proportion of pepper for their home sales, (Java and Sumatra being pre-occupied by the Dutch, and the London Company) had equipped a vessel, and sent out a President and Council, to establish a Factory on the Island of BORNEO :—this speculation, though the ship had not returned, appears to have continued in this season 1700-1; for new equipments, or the ship Borneo, with a stock estimated at £3,000 in dollars, and the Rising Sun, with £21,000, were consigned to this Island:—these vessels were to take in, at Banjar-Massin, as large a quantity of pepper as could be procured, with cardamons, dragon's blood, cassia lignum, and camphire, and thence to proceed to the ports of China.(2)

Equipments, stock, and commercial instructions, for China.

The equipments and stock consigned to CHINA were ;—for LINGPO, the Sarah Galley, with a stock estimated at £50,600, and the China Merchant, with £21,000; for AMOY, the Nep-

 tune,

(1)—Letters from the Court of Directors to their President and Council at Hughly, 5th April, 9th May, 7th September, 28th November, 19th December 1700, and 13th February 1700-1.

(2)—Letters from the Court of Directors to the President and Council at Banjar-Massin in Borneo, 27th June and 29th October 1700.

CHAP. III. 1700-1. tune, with £36,485; for CANTON, the Seaford, with £31,203, and the Rising Sun, with £15,673. These considerable equipments, and stock, were intended to bring home as large a proportion of China goods as they could purchase, particularly ten thousand ounces of musk, that the English might "out-"trade" the London Company's ships, destined for the same stations. For the management of this trade, Chiefs and Consuls were appointed to settle at AMOY and at CANTON, with similar ranks, and under like instructions, with regard to the London Company, as sent to the other Settlements.(1)

Principal events, affecting the English Company's interests in India, during this season.

The events at the English Company's foreign stations, during the season 1700-1, may be arranged, as follows;—the measures of Sir William Norris, the Ambassador, as affected by the conduct of Consul Pitt, at Masulipatam, and, subsequently, by that of Sir Nicholas Waite, at Surat, with the progress of this Ambassador to the Mogul's Court, to the close of this season; and the proceedings of those Presidencies, endeavouring to obtain permission to trade, and acting under

(1)—Letters and Instructions from the Court of Directors to the President and Council and Supercargoes at their different Settlements in China, particularly at Liagpo and Amoy, 27th June, 29th October, and 4th November 1700.

under the prejudice, that whatever tended to depress the London Company, would be subservient to the establishment of the commercial influence of the English Company. In tracing these subjects, it will be necessary to make references from the events in the one, to those which affected the other, but these references will be made in such a manner, as to keep in view the principal objects of both.

Measures of Sir William Norris and Sir Nicholas Waite, in the progress of the Embassy.

In the preceding season, it appeared that Sir William Norris, the Ambassador, had, in the first instance, arrived on the Coromandel Coast, and landed at Masulipatam; and though, at that time, the only events which occurred, were his intimation of his character, in a similar manner as that of Consul Pitt, to the Native Governors, and to the President and Council of Fort St. George, with their disavowal of the authority of either of these persons over them, in this season, these topics disappear, for the Ambassador, in his preparations for his journey from Masulipatam to the Mogul's camp, experienced opposition from the Native Governors, and from Consul Pitt and his broker, whom he accused of being jealous of his authority, if not corrupted by President Pitt, and the servants of the London Company;—Sir William Norris, therefore, determined to proceed by sea to Surat, that, on consultation with Sir Nicholas Waite and his Council, he might adopt measures for prosecuting his journey, and receive information, to enable him to fulfil the objects of his mission. The first requisite was to obtain a knowledge of the characters of the persons in the Mogul's camp, to whom he

 should

CHAP. III. 1700-1. should apply for assistance in his negotiation; the second requisite was, to settle, by consultation, the privileges which it would be expedient for him to solicit, in any Phirmaund which he might obtain; but, in the whole of his measures, delay was the greatest evil he could experience, on account of the infirm state of the Mogul's health, who was described to be able only to give attention to business, for a few hours in each day.

Sir William Norris, soon after his arrival at Masulipatam, sent for the information respecting the privileges he was to solicit, which Sir Nicholas Waite had been instructed to collect at Surat:—in answer, Sir Nicholas Waite reported, that his meeting the Ambassador, previously to his setting out for the Mogul's camp, was indispensible, and that it would have been preferable, if, instead of landing at Masulipatam, he had come direct to Surat. Whether this conduct of Sir Nicholas Waite's arose from jealousy of Consul Pitt, or from a desire to appear of more consequence, than any of the other Consuls, in the opinion of the Directors, is immaterial, but he insisted on the propriety of Sir William Norris coming to Surat, and proceeding from that place to Court, and offered that six young gentlemen, Writers, should attend the Embassy.

Sir Nicholas Waite, without authority from Sir William Norris, and before he could have received any instructions from him, addressed a letter, in his Consular character, to the Mogul, requesting, as the London Company were to be dissolved, that a Phirmaund, with the same privileges which had been

been granted to them, might be conferred on the English Company:—convinced, however, that he had acted precipitately, and before the terms in the Phirmaund were settled, he explained to the Mogul, that an Ambassador from the King of England might be expected to arrive, with rich presents for his acceptance, but, at the same time, enumerated the privileges which were to be solicited for the English Company, and prayed they might be granted to him, as public Minister, and Consul General for the English Nation, in the event of the Ambassador experiencing any accident, or not being able to reach the Mogul's Court; *viz.* liberty of trade, and to settle Factories in any ports in the Mogul's dominions;—to have free ingress and egress for himself and Council, without search;—to have licence to hire or build a house and warehouses;—to pay only two and a half per cent. customs, in the same manner as the English and Dutch formerly did;—to have goods valued at prime cost, and not to pay additional duty, on exportation from Swally;—that indigo from Agra should only pay two rupees and five-eighths per bale;—that the Governors of Provinces should be responsible, if the Company's goods were robbed in their passage to Surat;—that liberty should be given to coin silver in the King's mint;—that the Governor of Surat might have powers to compel the payment of all debts due to the Company;—that wrought plate and provisions should be free of customs;—that the Consuls, as King's Ministers, should be allowed flags, palankeens, and other emblems of authority, and all other English subjects forbid to use them;—that the Governor should

CHAP. III. should be obliged to give up such persons as might leave
1700-1. the Factory, or shipping, without the Consul's licence;—that the Consul might employ any broker he pleased; and that all disputes between the Natives, and English subjects, should be settled by the Governor and Consul.

Having taken these measures, Sir Nicholas Waite informed the Ambassador, that the London Company had sent Cojah Avennees, an Armenian Vakeel, to Court, to counteract his negotiation;—that he had forwarded the presents of guns, &c., with ten soldiers, six Writers, and two Surgeons, under the charge of the Reverend Mr. Hackett, the Chaplain, to Brampore, to wait his arrival;—that he must be careful not to interpose his good offices for the London Company, who were endeavouring to get free of the Security Bond which they had granted to make good the damages done by the pirates, lest such interposition might involve the English Company in their engagements and debts. These officious proceedings of Sir Nicholas Waite were accompanied with a request, that the Ambassador would draw on Masulipatam, for what money he might want, to defray his charges, as the £100,000 of stock, sent by the Court, had been expended in purchasing an investment.

Having thus described the conduct of Sir Nicholas Waite, as it affected the Embassy, we have next, in tracing its progress, to look at the measures of Sir William Norris, previously to his embarkation for Surat. After remaining at Masulipatam, till the beginning of May 1700, the Ambassador

bassador found, that the equipage for his journey to Golcondah, and thence to the Mogul's camp, had not been provided by Consul Pitt:—the blame he imputed to the Consul's chief Dubash, Vincatadre, whom he suspected of having been bribed by the London Company's servants, in connexion with the Mogul's officers; and therefore took the resolution to proceed, on one of the Company's regular ships, to Surat, expressing to Sir Nicholas Waite his fears that the service might experience prejudice from delays, such as had occurred in Bengal, where Sir Edward Littleton had only been able to procure a conditional licence to trade for six months, the time in which it was supposed a Phirmaund would be obtained.

Sir William Norris's resolution to proceed to Surat, by sea, was retarded by Consul Pitt, who asserted, that it would be derogatory to the Ambassador's character, after having touched at one port in the Mogul dominions, not to go directly to the camp, but again to take shipping for another port:—this opinion he strengthened by a minute of Council, that the Ambassador should remain at Masulipatam, during the rainy season, and then commence his journey:—irritated at this opinion, Sir William Norris ascribed it, in the first instance, to the insidious conduct of the Consul's chief broker, who was still protected and retained in his service, notwithstanding frequent remonstrances to dismiss him, and, in the next place, to a jealousy of Consul Pitt at his superior rank. The Consul, finding the Ambassador determined to proceed to Surat, by sea, gave him a memorial of the privileges he ought to solicit for

CHAP. III. 1700-1. for the English Company, on the Coast;—in substance, that the Phirmaund should be founded on that granted to the English Nation, by the King of Golcondah, in the year 1675, at the request of Mr. Manwaring, with the following additions;—a grant of the towns of Deverampaut and Madapollam, with the adjoining villages, which they then rented at five hundred pagodas per annum;—a mint for coining rupees and pagodas at Madapollam;—all Company's servants, and washers of cloths, to be exempted from taxes, and all disputes among them decided by the Consul and Council;—the London Company to deliver up their stamps and dies for coining;—the Consul to be acknowledged by the Native Governors and officers, as the King of England's Minister, and obedience to his orders enforced;—the Phirmaund to be in the name of the English Company, established by the King and Parliament, and no other English subject to rent any towns, or lands, from the Native Governors.

The manner, rather then the substance of this memorial of particulars, to be comprehended in the Phirmaund, which Sir William Norris was to negotiate, confirmed the suspicions which he had entertained, that the broker of Consul Pitt, as well as the Native Chiefs, on the Coromandel Coast, were leagued against the progress of his Embassy; but these suspicions were now shifted from the broker, to Consul Pitt himself, whom he represented to the Court, in a formal complaint, to have thwarted him in the objects of his Embassy, and either to have been corrupted by the the servants of the London Company, or to have acted in a manner contrary to his duty, with a view

view to conceal the private traffic which he had carried on, for his own, in opposition to the interests of the Company. CHAP. III. 1700-1.

These suspicions were strengthened, by the reiterated applications of Sir Nicholas Waite, who, by daily hircarrahs, acquainted the Ambassador, that he was making every preparation, at Surat, for his reception, and for his journey, which he trusted would defeat the combination against him, by Consul Pitt and the Native officers. This intelligence was accompanied with complaints of Consul Pitt, for his intemperate language, in his correspondence on the commercial concerns of the Company, between the Coast and Surat.

Under these impressions, and from the assurances of Sir Nicholas Waite, that every preparation was making at Surat, to forward the Embassy, Sir William Norris obliged the Consul to change the destination of the ship Somers, that it might proceed with him to Surat, for which he sailed from Masulipatam, on the 23d August:—on leaving this port, he accused Consul Pitt of breach of duty, and wrote to this effect, not only to the Court, but to the Secretary of State.

After a long and tedious passage, Sir William Norris arrived at Swally, the 10th December 1700, and notified his character, and the reception which he expected, to the Governor of Surat. At this juncture, (as appeared in the Annals of the London Company,) Sir John Gayer had come to Surat, to mitigate the severities of the Governor against President Colt and the Council, that he might extort a compensation from them, for the damages done by the pirates, and it was at this

CHAP. III. 1700-1. this crisis, that Sir Nicholas Waite intimated the arrival of the Ambassador:—the Governor, in reply, answered, that unless the King of England's letter, appointing Sir William Norris to this rank, should be laid before him, he could not admit him as an Ambassador, till he should receive the Mogul's orders, for, if he did, it would be at the risk of losing his head, particularly as Sir John Gayer (according to the account of Sir Nicholas Waite) refused to recognize the Ambassador's authority.

Under these circumstances, Sir Nicholas Waite informed the Court, that he had been obliged to make a large present, to counteract Sir John Gayer's projects of inducing the Governor to refuse his acknowledgement of the Ambassador, and to receive him with suitable solemnity, but that his resources were, by no means, such as could meet the charges of the Embassy, which he had, with so much pains, endeavoured to bring to Surat; for he had been obliged to furnish the Ambassador with ten thousand rupees in money, and with credit for a lack and a half, which he had borrowed, as the stock in hand was exhausted by the investment. This effort he contrasted with the large funds at the command of the London Company's servants, and their being in possession of Bombay, which necessarily influenced the Governor in their favor:—the presents, besides, which had been sent by the Court, had been improperly selected, for, instead of rarities, the articles were common, and of little esteem in the country.

Sir

Sir William Norris, on this occasion, found himself extremely embarrassed, and not chusing to proceed without the authority of that Presidency to which he had been referred, required from Sir Nicholas Waite, and his Council, a written order for the sums which he was to offer to the Mogul, and to his principal ministers.

Sir Nicholas Waite, for the first time, began to discover the effects of his inconsiderate zeal, in diverting the Embassy from Masulipatam to Surat, and lowered the terms specified in his own project of a Phirmaund for the English Nation, by advising Sir William Norris not to press, in his solicitations, for any new privileges for the English Company, beyond those which were enjoyed by the London Company, till such time as he could receive information of the privileges required by the Company's Presidents, on the Coast of Coromandel and Bay of Bengal, and to request, when this should arrive, that besides the Phirmaunds, six lacks of rupees should be annually paid to the English Company, for the expence of convoys for the Judda and Mocha fleets, and, above all, that the Phirmaunds ought to be expressed in such terms, as would give to the Consul at Surat, authority to inforce the observation of them. If these conditions could be obtained, his opinion was, that the Ambassador might give to the Mogul, and his ministers, besides the presents, a sum not exceeding two lacks of rupees :—he then enumerated the principal officers of the Mogul, to whom portions of this sum were to be offered ; seven of whom must be bribed high, to conciliate them to the interests of the English

 Company.

CHAP. III. 1700-1. Company. In conducting the negotiation, he cautioned the Ambassador, if he expected to succeed, not to dispute with the officers of the Mogul, on the ceremonies, or precedence, to which Ambassadors in Europe were habituated, because, in the Mogul Empire, such forms could not be admitted.

Sir William Norris, under these circumstances, set out on his journey towards the Mogul's camp, on the 26th January 1700-1, with a retinue of sixty Europeans, and three hundred Natives:—on the 8th February, he arrived at "Kokely," sixty-six coss from Surat: at this place he was informed by Sir Nicholas Waite, that Sir John Gayer, and the London Company's servants, had been seized and imprisoned by the Governor of Surat, but, at the same time, that their Vakeel had gone to Court, to negotiate for them, with a credit of two lacks of rupees.

On the 14th February, the Ambassador reached "Bancolee," and dispatched a messenger to Sir Nicholas Waite, desiring to know, by whose authority Sir John Gayer and the London Company's servants had been seized, as necessary information for him, to direct his applications to the Mogul.

On his journey, a mutiny took place among the Peons attending him, at a time, and in situations, where the appearance of the armies of the Hindoo Chiefs, in the vicinity of his small camp, and the Mogul troops, keeping them in check, endangered his progress. It is remarkable, that, even in this early period, the discipline of the small body, which formed the Ambassador's guard, kept both in awe; nor were those dangers

dangers lessened by the reports of Sir Nicholas Waite, from Surat, that a demand had been made on him, by the Governor, for a security against the pirates in the Southern Indian Seas, that is, for obligations precisely the same with those which the London Company's servants had been obliged to grant:—this he could evade, only, by offering his security for any vessels which might be taken by the London Company's ships, as the Ambassador was on his way to Court, to arrange all those points with the Emperor. CHAP. III. 1700-1.

Sir William Norris, on the 19th February, proceeded on his journey as far as "Gelgawn," near Aurungabad, from which he expressed his fears to Sir Nicholas Waite, that should Sir John Gayer and the London Company's servants be released from confinement, they would, in revenge for the injuries they had sustained, probably blockade the port of Surat; an event which would excite the Mogul's anger, and consequently frustrate the objects of the Embassy;—he therefore recommended, that a ship should be constantly stationed off the port, to prevent this measure being resorted to, by the London Company. On the 21st February, the Ambassador reached "Damondavee," where he received authority from Sir Nicholas Waite, to pay such sums as might be necessary to obtain the privileges, it being advisable to give any amount for them, before the arrival of Dr. Davenant, who might counteract the whole of the negotiation; and to induce the Mogul to accede to his requests, he was empowered to offer six thousand maunds of of lead, per annum, at six rupees per maund.

On

CHAP. III.
1700-1.

On the 3d March 1700-1, the Ambassador reached "Brampore," at which it became expedient to pay a visit, in form, to the Vizier "Gazedee Khan:"—a short time was spent in adjusting the ceremonials, the Ambassador requiring to be admitted to a conference, preceded by drums, trumpets, &c., which the Vizier refused, as being inconsistent with Eastern usages on such occasions. This refusal the Ambassador held to be derogatory to his dignity, and left Brampore, without having a conference with the Vizier, and reached "Parpella" on the 7th April 1701, near which the Mogul's camp was situated.

As soon as the Ambassador's arrival was notified, an order was issued, granting him permission to encamp. In these circumstances we must leave, for this season, the progress of the Embassy, and return to the measures of Sir Nicholas Waite, at Surat, in his transactions with the London Company's servants, as explanatory of the investments which he was enabled to dispatch for Europe.

Sir Nicholas Waite's report on the political circumstances of the English Company, at Surat.

Sir Nicholas Waite, (whom the English Company had vested with the administration of such rights and privileges of trade as might be acquired,) had scarcely appointed his Council, when he became sensible that he could not employ the persons recommended to him, because they had been dismissed from the London Company's service, in England, and were held to have deserved this degradation, from their conduct in India. On inquiring into the circumstances of Mr. Annesley and Mr. Bowcher, whom the Court of Directors had recommended for seats in Council, he found, that from their characters, from their connexion with

with the London Company, and from their engagements with the Mogul's officers, they were not men who could be employed in such a trust; and, therefore, he formed a Council of such of the civil servants, as he judged best qualified, and, among others, appointed Mr. John Lock, the Secretary, to be Fifth in Council.

It appears, even at this early period, that Sir Nicholas Waite was apprehensive of the effects of an Union, on his own, and on the rank of the other civil servants, and that a preference would be given to the superior standing of many of the London Company's servants; an Union would, also, expose the English Company to the same oppressions which their opponents had experienced, and make them liable to pay compensation for damages done by the pirates:—to prevent such a consequence, and to fix his own authority, he represented to the Court, that his Consular powers had not been sufficiently defined in his commission, and therefore requested they might be more ample, and distinctly describe the rules of his conduct; in particular, that an European Resident should be constantly stationed at the Mogul's Court, with whom, as Consul, he might communicate, in soliciting the observance of such privileges as might be acquired:—though the house which he had hired, as a Factory, was commodious, and situated nearer to the Custom-house, than that of the London Company, yet he would require a guard of at least twelve efficient soldiers, as the ten soldiers, who had come out with him, had proceeded up the country, with the Ambassador's presents:—his rank, also, had become a subject of observation, and

CHAP. III. 1700-1. and required support, because the information, that the London Company had been continued a Corporation, had affected both Companies, for the Natives began to express their doubts of the truth of his report, that the London Company were to be dissolved, and even to manifest an opinion of the instability of the English Government.

While Sir Nicholas Waite was under these impressions, Sir John Gayer arrived from Bombay, to endeavour to rescue President Colt, and his Council, from confinement; and had signified to the Governor of Surat, that he would stop all country vessels, not having the London Company's passes, unless their goods should be cleared out, and put on board their ships:—the Consul, to obviate the effects of this menace, had been obliged to give bond, that the King of England would indemnify the Native Merchants for any losses they might sustain from the shipping of the London Company, and, therefore, requested that orders might be immediately sent out, to prohibit the London Company from carrying this menace into execution, and, indeed, that they might be placed in such a situation, as would prevent their again resorting to threats:—on these subjects he desired, that his orders might be positive, otherwise the Natives would believe that the whole authority, derived from England, was, in fact, vested in the London Company. Sir Nicholas Waite next complained of the partiality of Commodore Littleton to the London Company, as he had not only rejected all his requests, but had not explained to the Governor, and to his son, the relative rights of the two Companies,

CHAP. III.
1700-1.

Companies, at the time President Colt was appealing to the fact, that the London Company kept possession of Bombay, and had been continued a Corporation. This conduct of Commodore Littleton had produced the worst consequences, for the Governor had distinctly stated, that the Dutch were in possession of a more commanding force, to protect the Mogul ships in their voyages to and from Judda and Mocha, and that neither the London, nor the English Companies, had ships to employ on this service.

—his Report on the commercial circumstances of the English Company at Surat, and on the Malabar Coast.

Connecting this report with the state of the trade, Sir Nicholas Waite informed the Court of the proportion of funds which had been employed for the investment, and of the contingent expences by which they had been affected, and concluded with requesting, that a large stock might be sent early from England, to enable him to render Surat a profitable station to his employers;—that the Rook Frigate, which had arrived in March 1700, had been dispatched, with a stock of a lack of rupees, to China, from which she was to return to Mocha, and there to fill up her cargo for Europe;—that the Harwich man of war had been ordered on a cruise against the pirates, off Acheen;—that the stock received did not exceed £100,000, of which £30,000 was reserved to defray the charges of the Embassy;—that, on the balance, he had given orders for the purchase of goods, one-third payable on the contract being signed, another third when the goods should be half made, and the remaining third when they should be delivered;—and that, to support the Company's credit, the presents which he, himself, had received,

CHAP. III. 1700-1. had been carried to the Company's account, and applied to defray the charges of building warehouses;—that the ship Norris had been dispatched to Europe, with an investment amounting to 346,200 rupees, and the Canterbury, with an investment of 415,000 rupees; but that the London Company had a great advantage over him in the market, from having early received a large stock, which had thrown the balance of trade in their favour;—that he would be compelled to take up money at interest, a measure which experience had shewn to have nearly ruined the trade of the London Company; and this necessity could only be obviated by a Double Stock, particularly as the Prohibition Act had obliged him to give orders to stop the looms at Ahmedabad, and other places, from which articles for the investment had been ordered:—these circumstances would prove, that he had not been able to reimburse the Presidency of Masulipatam, for the expences it had advanced for the Embassy, and, also, that he could not establish the projected Factories at Broach, Ahmedabad, Scindy, and Agra, or on the Malabar Coast, near Cananore, though he would accept of the invitation from the Rajah of Carwar, and desired orders and stock for that particular purpose:—this commercial detail is concluded with requesting, that regular assortments might be sent, of broad-cloths, iron guns, iron, lead, glass-ware, optical-glasses, and sword-blades.

These reports are accompanied by accusations of the London Company's servants, for having used treasonable expressions against the King, which had obliged Sir William Norris to

CHAP. III. 1700-1.

to apply to the Governor to seize Sir John Gayer, and the whole Factory of the London Company at Surat, and to detain them, in irons, till the Mogul's pleasure should be known. At any time, such language would have been unjustifiable, but it was particularly so, when it appeared that the Governor was in the interest of the London Company, and had given recommendations to the Vakeels they had sent, to oppose the Phirmaunds which the Ambassador was to solicit:—the Governor, however, had refused to imprison Sir John Gayer and Mr. Colt, till he should receive the Mogul's orders, and had subsequently released them from confinement in the Factory, on their giving security to await this event.(1)

(1)—Correspondence between Sir William Norris and Sir Nicholas Waite, while at Masulipatam, and during his journey to the Mogul's Camp, 12th April, 16th, 23d, 30th, and 31st May, 12th and 22d June, 1st July, 5th and 7th August, 19th September, 4th and 30th November, 5th, 10th, 13th, 17th, and 21st December 1700, 14th, 20th, and 23d January, 1st, 6th, 8th, 9th, 12th, 14th, 17th, 19th, 21st, and 27th February, 3d, 8th, and 18th March 1700-1.—— Letter from Sir William Norris to the Court, 19th August 1700.—— Letter from Sir William Norris to the Governor of Surat, 26th December 1700.—— Correspondence between Sir William Norris and Consul Pitt, 6th June, 3d and 22d August 1700. —— Copies of Phirmaunds to be requested for Surat and Coromandel, 14th May and 14th August 1700.—— Letters (general) from Sir Nicholas Waite and Council at Surat to the Court 9th, 18th, 25th, and 30th April, 3d May, 16th August, 21st September, 30th November, 21st and 24th December 1700, 6th, 8th, 13th, 15th, and 19th March 1700-1.—— Letters from Sir Nicholas Waite to the Mogul, and Governor of Surat, 14th May, 7th October, 7th December 1700, 15th January, 8th, 13th, and 18th February 1700-1.—— Correspondence between Sir Nicholas Waite and the Presidency of Masulipatam, 1st July, 3d, 7th, and 20th August, 1st and 27th September 1700.—— Correspondence between Sir Nicholas Waite and the Presidency of Hughly, 13th and 27th September 1700, 27th January 1700-1, and 25th March 1701.

CHAP. III.

1700-1.

Consul Pitt's report on his transactions with Sir William Norris.

The transactions of Consul Pitt, on the COROMANDEL COAST, as far as regarded the Embassy, having already been detailed, require only to be referred to, as a branch of the English Company's foreign transactions, in this season. His account of the Embassy, before Sir William Norris quitted Masulipatam, consisted only of a vindication of his own conduct, against the suspicions and accusations of the Ambassador, to prevent any improper impression on the Court. This vindication stated, that instead of having obstructed the journey of the Ambassador from Masulipatam, by Golcondah, to the Mogul's camp, every effort had been made, on his part, to facilitate a mission, which involved equally the reputation of the English Nation, and the interests of the English Company;—that the best evidence he could adduce, was the expences of the Ambassador, during his residence on the Coromandel Coast, which had amounted to 113,000 rupees;—that, after the fullest preparations had been made for his journey, under the pretext that two Fouzdars had refused to furnish oxen, (which, however, they afterwards gave,) he had diverted the line of trade, for which the ship Somers was intended, and employed that vessel to carry himself, and suite, to Surat, notwithstanding a notice from the Mogul, that it was expected he would proceed by land.

Consul Pitt, therefore, and his Council, protested against the Ambassador's conduct, and informed the Court, that his voyage to Surat had been undertaken by the advice of Sir Nicholas Waite, whose letter to the Mogul had done great prejudice to the

the

the Company's affairs on the Coast, and that the charges of the Embassy, and the present to "Assed Khan," the Vizier, (who had expressed his displeasure on the occasion, and whose good offices were essential for the Company's interests,) had materially embarrassed the funds;—that not having received bills from Surat, to reimburse the charges for the Embassy, either the Company's investment must have been at a stand, or money borrowed;—on the whole, that he had transmitted documents, to support this vindication of his conduct, to the Court, to which he referred, for a decision, not only on the subjects in dispute, between the Ambassador and himself, but on the measures for the Company's interests, which he had felt it his duty to pursue.

— his report on the situation of the English Company's trade on the Coromandel Coast.

On the subject of the Company's trade, Consul Pitt represented, that the blame attributed to him, because the homeward-bound ships had not arrived in the first year, evidently arose from an expectation which could not be realized, for till Factories could be settled, and exchanges commenced, it was impossible to provide investments;—that in the course of the season 1700-1, however, he had contracted with the merchants for an investment, which he estimated at 263,460 pagodas;—that the profits from their sales, in India, would be narrow, there being no market for Europe cloths, and the exchange of them for Coast cloths impossible, on account of the prohibition of Indian manufactures in England, a measure which, he foresaw, would be as ruinous to trade, as the settling of two Companies, by authority of the Legislature;

—that

CHAP. III. 1700-1. —that he could not but compare the equipments of the London Company, which, in this season, amounted to *twelve* sail, with the equipments of the English Company, which consisted of *nine* sail only;—that though favorable accounts had been received of the new Settlement in Borneo, and of the Prince's Nishân in Bengal, still the trade must remain on a narrow scale, and under great disadvantages;—that his own situation was peculiarly distressing, as it would have been better he had not been vested with the commission of Consul, unless he had been enabled to render his orders efficient, for the government of Madras disregarded and disavowed his authority, which had obliged him to narrow the trade, and relinquish the plan of a Settlement at Porto Novo. (1)

Sir Edward Littleton's report on his measures for seconding the efforts of the Ambassador in soliciting a Phirmaund.

From the accounts communicated to the Court, in the preceding season, of the refusal of Mr. Beard, the London Company's President, at Calcutta, to acknowledge the authority of Sir Edward Littleton, as Consul for the English Nation in BENGAL, and from the difficulty with which even a small proportion of Bengal trade could be procured, for the shipping of the English Company, we are prepared to expect, only, the continuation of the efforts which Sir Edward Littleton could make, to assist the Embassy of Sir William Norris, and to purchase temporary

(1)—Letters (general) from Consul Pitt and Council at Masulipatam and Madapollam to the Court, March, 24th September 1700, and 10th March 1700-1.—— Correspondence between Consul Pitt and Sir Nicholas Waite at Surat, 30th May 1700, 3d January, and 24th February 1700-1.—— Letter from Consul Pitt to Sir William Norris, 29th March 1701.

temporary grants, to carry on trade till the Phirmaund could be obtained, and of the manner in which he proceeded, in making a small investment, to give the English Company a share in the profits of the Bengal trade.

CHAP. III. 1700-1

Sir Edward Littleton, to assist the Ambassador, granted a commission to "Mahmood Hareph," (whom he described as a person conversant in all matters regarding Bengal,) to attend Sir William Norris, and assist him as a Vakeel, but, was of opinion with Consul Pitt, that it would have been more advisable for the Ambassador, or some of his retinue, to have gone from Masulipatam to the Mogul's camp, than to have altered his plan, and sailed to Surat, particularly after he received intelligence of the death of the Mogul's Duan, and the uncertainty of the character of the minister, who might succeed him.

Taking a general review of all the circumstances which had occurred since his arrival, Sir Edward Littleton stated, that, at first, he could only obtain the same terms which had been granted to the Interlopers, that is, to pay three thousand rupees for permission to make sales and purchases for each ship, and give security for six thousand more, should the Ambassador not procure a Phirmaund within the year;—that this, in fact, was only a sufferance to remain as traders in the country, and all that could be hoped for, in the Phirmaund, was to have the same privileges which the London Company enjoyed, though, if permission to establish a mint at Hughly could be acquired, it would give to the English Company a decided superiority;—

CHAP. III. 1700-1. riority;—that, under the temporary permission which had been purchased, he had established Factories at BALLASORE and DACCA, but from the want of Factors and Writers, properly qualified, he had not attempted a Factory at COSSIMBUZAR or MALDA, and, till he knew the issue of the application for the Phirmaund, it would not be prudent to enlarge the trade, or to pay farther rents for buildings or warehouses, because these would be more chargeable than any expences which would be incurred in building a Factory;—that he had, however, procured an order for such a building, and would, after the rainy season, fix on a situation, and make preparations for this undertaking.

—His report on the state of trade in Bengal.

On the state of the trade in Bengal, Sir Edward Littleton made a comparison between the stock and funds of the London and English Companies, and of their respective equipments, drawing from it an inference of what would be the effects of an Union, on the funds of the English Company, and on the relative ranks of their servants;—the stock of the London Company, for this season, exceeded that of the English, in the proportion of *five* to *two*;—their ships had arrived early in the season, which had given them a decided advantage in the market:—the difference between the equipments bore a still greater proportion, the London Company having *five* ships, while the English Company had only *one*, and, therefore, they necessarily pre-occupied the market, in the purchase of Bengal goods; but though they had been continued a Corporation, if the English Company would

would send an ample supply of stock, he did not despair of obtaining a superiority in trade;—in the hope of receiving such stock, he was making an experiment to obtain goods from Agra and the Upper Provinces, but the opposition of the London Company's servants still continued, for they would not hear his commission read;—the cargoes of goods from England had not only been small, but the best articles had been selected, and taken into the Company's stores, by Consul Pitt, at Masulipatam;—Sir Edward Littleton concluded, that the whole of these circumstances were discouraging, as their rival had been continued a Corporation, and he was under the impression, that the English Company's stock would be absorbed in that of the London Company. In the event of an Union, he trusted provision would be made, that the English Company would not be made responsible for the debts of the London Company; or the young men, whom they had sent out to be Factors, take precedence of the English Company's junior servants.

This view of the commercial circumstances of the two Companies, the Consul hoped, would explain the efforts which had been made, to provide investments, and dispatch the homeward-bound ships. On the Antelope, £70,000 in goods, had been laden, and on the Tankerville, an investment estimated at 168,000 rupees, notwithstanding the discouragement from the Prohibition Act; and every effort should be made, to collect the largest proportion of raw-silk, to reduce the price, at the Turkey Company's sales, of that valuable article.

 In

CHAP. III. 1700-1.

In the management of the trade, Sir Edward Littleton explained, that the English Company's servants had been much distressed, for want of pilots, acquainted with the soundings of the Ganges, and their stores endangered, from being without a proper guard, the greatest part of the soldiers, brought from England, having died or deserted, and many of their seamen left the service; an evil, against which some regulation should be provided, by taking an obligation from the country vessels to pay a thousand rupees for every English seaman who might be found on board, without the Consul's licence.

From this situation of the Presidency of Hughly, Sir Edward Littleton submitted to the Court, that a large stock should be sent, in the ensuing season, otherwise it would be impracticable for the English Company to obtain a proportion of the trade, which the large funds of the London Company were daily enabling them to engross. (1)

Report of President Catchpoole on the China-trade, and the expediency of fixing a Settlement at Pulo Condore.

The speculation which the Court of Directors had adopted, of opening a trade on the Island of Borneo, and connecting it with the exchanges and imports from China, forms an interesting article, in the foreign transactions of the English Company, in this season. Mr. Landen had, last year, embarked, with a Council, to settle at Banjar-Massin, in Borneo, and Mr. Catchpoole, with the character of Consul, as well as President, to

(1)—Letters (general) from Sir Edward Littleton and Council at Hughly to the Court, 4th June 1700, 18th January, and 18th February 1700-1.—— Letters from the Presidency of Hughly to the Presidency of Surat, 4th June 1700, 18th January 1700-1.—— Letters from the Presidency of Hughly to Sir William Norris, 27th May 1700, 18th January 1700-1.

to attempt a trade at some of the ports on the Coast of CHINA. Mr. Landen had succeeded, for when Mr. Catchpoole, in the Eaton Frigate, arrived at Banjar-Massin, he found an established Factory; and though there is no account from Mr. Landen, of the circumstances under which he acquired this station, or of the sales or purchases which he had made, President Catchpoole was induced to form an intercourse between Borneo and Chusan, near Liampo, to which he proceeded with the Eaton, to commence a trade. CHAP. III. 1700-1.

Having reached CHUSAN, in September 1700, Mr. Catchpoole was received, in a friendly manner, by the Governor, where he remained, without being able, from this period to the 9th December, to obtain permission to land goods or to trade, or procure a *chop* for that privilege. At last the *chop* was granted, for which he agreed to pay two per cent., in full of all duties, and a rent of five tale, per month, for his house and warehouses.

As soon as he began to act on this grant, he discovered that it was a temporary, instead of a permanent permission to trade, for it was only a licence for this vessel to sell and purchase goods, and no permanent grant could be had, except by an Embassy to the Emperor, the charges of which were estimated at £10,000; it was, therefore, left to the consideration of the Court, to give instructions, whether they would undertake such an Embassy, and incur so large an expence, for without embracing both of these measures, a fixed trade could not be expected.

CHAP. III. 1700-1. In the course of the season, the Macclesfield Galley was dispatched from Chusan for Europe, with a full cargo, but it was found that an investment for the Trumbal, or Eaton, could not be purchased; the Trumbal, therefore, was dispatched to Borneo, for pepper, and ordered to touch at Amoy, to take on board twenty of the crew of the Harwich man of war, which had been wrecked on that coast.

President Catchpoole, after the experience of a few months, found, that it was impossible to obtain produce, without making an advance in money, or Europe goods, and giving the manufacturers six or seven months time to bring in China goods:—hence, from the evasive proceedings of the Governor and his officers, and from the nature of the *chop* which he had purchased, he was satisfied there was no security that the articles contracted for would be delivered, and, therefore, recommended to the Court the expediency of forming a Settlement on the Island of Pulo Condore, situated between China and Batavia, as preferable to any establishment which could be made in the Empire of China:—this project he proposed should be experimental, only, and that it should be tried by some of the crew of the Harwich, attended by proper officers and mechanics:—for this service the Trumbal was to touch at Amoy, for twenty of the Harwich's crew, sail to the Island, take possession of it in King's name, and raise a temporary fortification for their defence. The object of this establishment Mr. Catchpoole explained to be, that of forming a check on the Chinese Government, should they seize the Company's property, detain their

CHAP. III. 1700-1.

their servants, or refuse to pay the debts due to them, and recommended to the Court, to apply for conditional letters of reprizal, empowering him to make prizes of China ships, and to detain the crews, as hostages, and the ships, as a compensation;—meantime, he trusted he would be able to dispatch the Eaton, with a rich cargo, by the next monsoon.[1]

(1)—Letters from the President Catchpoole and Council to the Court, from Banjar-Massin in Borneo, July and August 1700.—— Letters from President Catchpoole and Council to the Court, from Chusan in China, 11th October, 14th November, 21st and 15th December 1700.

1701-2.

LONDON COMPANY.

CHAP. III.
1701-2.
The necessity of an Union between the two Companies becomes apparent to Parliament.

The proceedings of the two Companies in England, from the period when their rights and interests were placed in opposition, have exhibited only proofs of the impolicy and impracticability of this speculation, and of the commercial losses to both, and to the nation :—the period, however, had now arrived, when the two Companies became satisfied, that farther opposition of interests must terminate in the bankruptcy of the one, or of the other, and when Parliament were convinced, that the continuance of this opposition would destroy the direct trade between England and the East-Indies.

In illustration, it is necessary, only, to refer to the declining credit of the English Company, to their want of experience, and to the efforts of the London Company in resisting their rival, both at home, and in India, to discover the source of the Parliamentary discussions on the subject; discussions which led to the Union of the London and English Companies, as the only remedy for repairing the losses which each had sustained, or for restoring an important branch of the trade and navigation of the kingdom.

At

At the outset, the English Company, resting on their superior rights, anticipated the probability of annihilating the London Company, and of becoming, in three years, the exclusive possessors of the East-India trade; but, even in this short period, they found, that not only their stock was depreciated, and their commercial efforts unproductive, but were convinced, that though the London Company were daily incurring debts by large advances of money, and though their foreign stations were exposed to the oppressions of the Native Powers, yet their funds and credit continued unimpaired, and that the servants of the English Company would ultimately have to meet those very oppressions from the Indian Powers, which they had seen nearly overwhelming the London Company.

The London Company propose to Parliament to pay off the stock of the English Company at five per cent.

We have, therefore, to trace the events which were bringing forward the Union of the two Companies, and the instructions which the resolutions of each, to unite, induced them to convey to their servants abroad; and perhaps the state of Europe, preparing for the war of the Succession, facilitated this termination of opposition, between practice and speculation.

At the opening of the London Company's transactions, in the months of April and May 1701, their Committees, on receiving information of the continued exactions of the Governor of Surat, and of the Mogul Government, on their Settlements and trade, and finding a rise of price in the Europe articles required for their exports, and difficulty in sales of Indian produce, either for home consumption, or for re-exportation, came to the resolution of making a proposition

to

CHAP. III.
1700-1.

to Parliament, (founded on the appointment of a Committee of the House of Commons, "to receive proposals for paying "off the National Debts, and advancing the credit of the "Nation,") to pay off the stock of the English Company and separate trade, that is, to pay off the two millions, at five per cent:—this offer, it was conceived, would remove the chief obstacle to an Union, as the Legislature were satisfied of the importance of the direct trade between England and the East-Indies, and disposed to restore the balance of the Indian trade in favour of the English nation:—but this proposition, though approved of by the Committee, was rejected by the House of Commons.

A Committee of Seven appointed, to manage the negotiations for an Union.

The Court of Directors, finding that relief could not be obtained by an application to Parliament, and satisfied, notwithstanding the Act continuing them a Corporation, that their affairs must continue exposed to much distress, when the month of September 1701 should arrive, (or the time specified in the Act of 1698, constituting the English Company,) came to a resolution, to resort to the plan of arbitration, and appointed a Committee of Seven to negotiate the business. This Committee, at first, reported to the General Court, that they had not been able to ascertain the intentions of the English Company; and on the 17th April 1701, it was resolved, by a General Court, to empower the Committee of Seven, with the approbation of the Court of Committees, to receive proposals for an Union, or to make proposals themselves, for the benefit and advantage of the Company, of which public notice was given.

On

CHAP. III.
1701-2.

Sir Basil Firebrace empowered to adjust the terms of the Union.

On the 23d April, the Court met to receive such proposals as might be laid before them, when a plan, suggested by Mr. John Draper to the Governor, was read, and Sir Basil Firebrace informed the Court, that he had offers to make, which he doubted not would produce an Union between the two Companies, but desired that a recompence might be allowed him for his trouble, in the event of both Companies coming to an agreement. On the 24th, the Court resolved, that the Committee of Seven, or any five of them, should be authorized, exclusively, to receive or make proposals, subject to the ultimate approbation of the General Court, and also to settle the recompence to be given to Sir Basil Firebrace, provided he could accomplish this important business.

The Committee of Seven, after repeated conferences with Sir Basil Firebrace, submitted, on the 6th June 1701, to the Court of Committees, that as a recompence, if he effected the Union, £150,000 of the stock of the Company should be transferred to him, on his paying £80 for each £100 stock, that is, a reward of £20 per cent. on this sum, as a compensation for his services.

On the 26th September 1701, Sir Basil Firebrace applied to the Court to prolong the time for the negotiation, which was to expire on the 29th September 1701, when it was agreed, that he should be desired to proceed in bringing the treaty to a conclusion, and assured, that they would represent his services to the General Court, for such recompence as they should think proper.

CHAP III.

1701-2.

General terms of the Union agreed on.

The conferences, however, continued, from this period, till the month of January 1701-2, when the general terms of Union were agreed on by both Companies; or that a Committee of twelve, of each Company, should be appointed a COURT OF MANAGERS;—each Company to contribute a moiety of what the Managers should think fit to export;—the Court of Managers to have the future direction of all matters relating to trade and Settlements, but the Factors of each Company to manage the separate stocks of their respective employers, sent out before the Union, and to return the same, and clear all accounts and debts in India, before the expiration of seven years, at which time, *one great Joint Stock Company* was to be formed, by the Union of the two Companies;—This agreement, or instrument of Union, was approved of by the General Courts of both Companies, on the 27th April 1702.

Report on the subject of the Union, by the Court, to their foreign Presidencies.

In communicating this event to the General and President of SURAT, and to the other Presidencies in India, the Court of Committees informed them, that, though they had a deep sense of their sufferings, from the heavy accusations of piracy, the malicious attempts of the English Company against them, and the cruelty, extortion, and oppression of the Mogul Governors, yet they requested an oblivion of those injuries, and, as, in future, the interests of the two Companies were the same, and the former competitions of their servants in India had affected the prices of exports and imports, and injured the general trade, that the Union had become indispensable:—the general instructions, therefore, were, that kindness and good offices should

should, in future, be shewn by them, to the servants of the English Company, in the same manner as had been recommended by the Directors of the English Company, towards the servants of the London Company. As a particular instruction, the Presidency of Surat were required to clear off all the remains of Europe goods in their warehouses and Factories, and to wind up the accounts, as soon as possible:—the Court, on this occasion, farther trusted, that the indifference which the Dutch and French nations had shewn to the distresses of Sir John Gayer, and of the President and Council, instead of proceeding from national opposition, in fact had arisen from the Directors of the Companies of those nations having observed, that, as the English were divided among themselves, they could not be disposed to support either, but to avail themselves of their dissensions, for their own profit:—this evil, it was hoped, would cease, as soon as they should be informed of the Union of the two Companies, and, at some future period, an adequate recompence for their losses from the Mogul, and his officers, might be obtained; an exact account, therefore, was to be kept, of all those losses, to become the foundation of remonstrances, or a reason for the employment of force.

Separate instructions for Bombay and Surat, and equipments and stock for the season.

The separate instructions given by the Court to the General and Presidency of SURAT, under these circumstances, were, in substance, to endeavour, by every possible means, to strengthen Bombay, as a seat of trade and place of defence;—to be on their guard against the depredations of the Muscat Arabs;—to encourage the cultivation of white pepper at Carwar, and (as the

CHAP. III. 1701-2.

the Dutch had not withdrawn from Anjengo) to complete the fortification of that station;—to abandon the project of settling at "Gounan," in the Mahratta country;—and to make known to the Governor of Surat, that Captain Kidd, and several other pirates, had been convicted, and hung in chains at Tilbury; a proof of the detestation in which the Government of England held the crimes of the pirates.

The equipments for the season 1701-2 were,—the Howland and the Regard, for BOMBAY and SURAT; the Colchester, for the COAST; the Wentworth, for BENGAL; and the Chambers Frigate, the Aurungzebe, the Fleet Frigate, and the Union, for CHINA. The Aurungzebe was to return from China to Surat, thence to go to Mocha, for aloes, coffee, and olibanum, and then to touch at Surat, to complete her cargo for Europe. The prospect of war, which had retarded the sailing of the vessels, during this season, produced an order, that the homeward-bound fleet should keep in company with the Dutch.

Death of King William, and accession of Queen Anne.

The death of King William, on the 8th March 1701-2, and the accession of Queen Anne, did not produce any change in the politics of England, with respect to the Continental Powers, for Parliament, in their Address to the Queen, promised to support Her Majesty, in such measures as she might adopt, for opposing the exorbitant power of France. This event gave the Court confidence in the Union, and its advantages to the general interests of the East-India trade, notwithstanding the Declaration of War by the Queen, the Emperor, and the States General, against France and Spain, on the 4th May 1702, and the

the general embargo and impress of seamen, which would prevent the dispatch of the last ships of the season.(1)

CHAP. III. 1701-2.

The instructions to Persia varied, in the progress of the Union.

The orders of the Court to the Agents in PERSIA, this season, at its opening, and at its close, corresponded with those which have appeared in the dispatches to Surat. At the commencement, when the prospect of the Union was uncertain, the Court gave discretionary instructions regarding the English Company's ships, should they interfere in the Persian trade, and directions to explain to that Government, that the London Company would continue in the exclusive possession of their rights, in which the English Company were not to participate; but censured the Agent at Gombroon, for his "*too civil*" reception of Captain Montague, commander of an English Company's ship :—but lest the Union might be interpreted by the Governor, as evidence that all English subjects enjoyed the same rights, it was ordered, that the disputes, between the Agents in Persia and the brokers, should be adjusted, that advantage might not be taken of this circumstance, by the English Company's Agent, to introduce a separate trade in Persia.

As war in Europe was probable, the Agent was ordered to purchase as great a quantity of raw-silk, Caramania wool, and drugs, as he could obtain, because these articles would rise in price,

(1)—Letters from the Court of the London Company to the General and Council of Bombay, and President and Council of Surat, 11th and 16th April, 6th May, 27th June, 17th September 1701, 12th January 1701-2, 4th and 14th May 1702.—— Minutes of General Courts, and Courts of Committees of the London Company, 17th, 19th, 23d, 24th, and 30th April, 6th June, 26th and 27th September 1701, and 27th April 1702.

CHAP. III. 1701-2.

price, from the improbability that the usual quantities of Persian goods, particularly silk, could be imported, either from Spain or Italy.

After, however, the plan of an Union was adopted, the instructions coincided with those sent to Surat, or that the Agents were, in future, to observe the most friendly intercourse with the Agents of the English Company, there being but one interest to be consulted.(1)

Instructions to the Presidency of Fort St. George, in consequence of the Union.

There does not occur, this season, in the instructions to the Presidency of FORT ST. GEORGE, any order, previously to the agreement for an Union of the two Companies, except an approbation of the vigour and prudence so eminently manifested by President Pitt, in resisting and defeating the projects of Consul Pitt:—this approbation is accompanied with a recital of the transactions between the two Courts, which had terminated in establishing the basis of their Union, and with a recommendation, similar to that which had been given to the Presidency of Surat, to forget former injuries, by their rivals, and to unite with them in one mutual system of effort, to lower the prices of Coast goods, to the rates at which they had been purchased, before the existence of the English Company; and that the goods selected should be of better quality, though less in quantity and price. These orders, it was expected, would have the effect (though an opposition of powers and of mercantile interests had, for a few years, subsisted between Madras and Masulipatam) to convince the

(1)—Letters from the Court to the Agent and Council in Persia, 26th April, 6th May, 1701, and 22d May 1702.

the Native merchants and manufacturers, that both Companies had but one object, the sale of Europe produce, on the best terms, and the purchase of Indian articles, at the cheapest rates. CHAP. III. 1701-2.

The expediency (if not the necessity) of the Union, is farther illustrated, by the orders to withdraw the Out-factories which had been established, to prevent the English Company from obtaining stations of trade, and to save the expences which had been incurred in these precautionary measures, but to continue the fortified stations, and to keep them in the best state of defence, against the Native Powers:—the wall round the Black Town of Madras was to be finished, to render this seat of the English power and trade impregnable to any of the competitors for the Mogul Empire, or to the Hindoo Chiefs, should they prevail in the Decan, to prevent them from levying arbitrary contributions in the countries in the immediate vicinity of the Fort, or exacting large sums, from their opinion of the revenues.

The equipments intended for this station, in connexion with China, have already been enumerated, and, in the preceding season, the intentions of the Court to form a series of exchanges between the trade of China, and that of the Coast of Coromandel have been detailed. The Chambers Frigate was to return from China to Madras, that the profits from the sale of the China goods, at that place, might become an additional fund for the purchase of the Coast goods, required in the Europe market, and thus, by enlarging the circuit of exchanges,

CHAP. III. 1701-2.

exchanges, the profits abroad might add to those expected from the sales at home. (1)

–Instructions to the Agent and Council at Bencoolen.

In the preceding season, the Court had directed that BENCOOLEN, and the others tations in Sumatra, should be under the management of the President and Council of Fort St. George; that York Fort should be strengthened, and small armed vessels, and a reinforcement of Caffres for its defence, sent from this Presidency:—the same orders are repeated, in the instructions of this season, with the addition, that encouragement should be given to the Chinese inhabitants, and the custom, or duty, on pepper bought by country shipping, having the Company's pass, reduced to one halfpenny per pound. Triamong having been found unhealthy, the Agent was to exercise his discretionary powers, in removing that Settlement to "Bentall."

The commercial instructions were general, or that the largest proportion of pepper should be obtained, and only a small quantity of benjamin;—the two ships, destined for China, had orders to touch at Bencoolen, for all the pepper which the Settlement could afford, on paying for it one halfpenny per pound, advance, on the prime cost:—the correspondence, in future, was to be placed under the same distinct heads, as at the other Settlements. (2)

Similar

(1)—Letters from the Court to the President and Council of Fort St. George, 17th September 1701, 14th February, 6th and 13th March 1701-2.

(2)—Letters from the Court to the Agent and Council at Bencoolen, 8th July, 17th September 1701, and 14th February 1701-2.

CHAP. III. 1701-2. —And to the Presidency of Bengal.

Similar instructions, with those sent to Fort St. George, were conveyed by the Court to the Presidency of BENGAL, on the precarious state of the rights under which the London Company held their possessions and carried on their trade, specifying that the basis of the Union, between the two Companies, had been settled, and recommending to President Beard conciliatory measures towards the Agents of the English Company:—competition, between the two Companies, was, in future, to cease, and the extension of trade to be the common object:—As the necessity, which had obliged this Presidency to be lavish in presents to the Native Governors and Officers, no longer existed, frugality was to be observed by both Companies, in the bribes or presents which they might give for permission to carry on the United Trade:—these instructions were not intended to detract from the merits of President Beard, his Council or subordinate Agents, in resisting the pretensions, or checking the commercial encroachments of the English Company; on the contrary, their conduct had the fullest approbation of the Court.

The equipments for Bengal, in this season, were abridged, both because the Prohibition Act had rendered an enlarged tonnage unnecessary, and because competitions in the English market no longer existed; the investment, therefore, was to comprehend Bengal goods of the best sorts, and, on account of the approaching war in Europe, a large proportion of raw-silk, drugs, and the finest indigo. This assortment was the more necessary, from the probability of convulsions in the Peninsula

CHAP. III. 1701-2.

Peninsula, on the Emperor's death:—in this view, also, Fort William was ordered to be fortified in the strongest manner, and made a regular Pentagon, defended by bastions, that, in the event of the Out-Factories being withdrawn, the Company's servants and property might find a place of safety, which would enable them, on any emergency, to retire from the country, without being subjected to similar restrictions, or imprisonment, as at Surat.(1)

A direct trade to China formed, under the management of Supercargoes.

The Committees of the London Company continued their efforts to establish a trade to CHINA, even after the English Company had ceased to be their rival, for, in this season, while the negotiation was pending, the Chambers Frigate and the Aurungzebe were dispatched for Amoy, under the charge of Mr. Dolben and three Supercargoes, to purchase an investment; one vessel was to return to Surat, that the profits from the sale of the China produce might come in aid of the investment from that Presidency, and the other to Fort St. George, with the like object; discretionary powers, however, were given to these Supercargoes, either to attempt the sales or investments at Liampo, or at Canton, as the probability of trade might encourage them.

After the basis of the Union was settled, the same orders, for conciliatory conduct towards the ships of the English Company, were repeated, and, as the season advanced, when the certainty of the Union was known, the ships, the Fleet Frigate and the Union, were dispatched direct for Canton, with lists

(1)—Letters from the Court to the President and Council of Fort William, 12th January and 5th March 1701-2.

CHAP. III. 1701-2.

lists of goods, nearly the same as in the preceding season; except that, on account of the approaching war in Europe, the investment was to comprehend a large proportion of raw-silk, and the quantity of teas to depend on the goodness of their quality:—wrought silks, however, were not to form part of the investment, as the Prohibition Act would prevent the sale of themin England;—the Supercargoes were to follow such orders as they might receive from the Secret Committee of the Court; but, as a general order, the produce of all private goods, sent for sale in China, was to be invested in gold, to prevent the tonnage being filled up with bulky commodities.(1)

Orders to the Governor of St. Helena, on the Union.

In the early part of this season, the Court directed the Governor and Council of St. Helena to exact the regular custom from all ships, not in the Company's service, with the exception of men of war, who were to be allowed to water and purchase provisions, duty free.

From the probability of a war with France, the stations at Sayn Valley, Sandy Bay, and Munden's Mount, were to be fortified, and guns were sent for the defence of them:—the Severn man of war had been appointed for the protection of the outward-bound fleet, as far as St. Helena, at which she was to take under her convoy the homeward-bound ships, the captains of which were to obey the orders of the Secret Committee, which would be communicated to them by the Governor; and, at the close of the season, as the Union ap-

 proached,

(1)—Letters and instructions from the Court to the Supercargoes of the vessels destined for Amoy and Canton, 17th September, 24th December, 1701, and 28th January 1701-2.

CHAP. III. 1701-2.

proached, the orders were repeated, to shew every civility and accommodation to the ships and servants of the English Company.(1)

The applications for Phirmaunds encrease the expences of the London Company, by bribes to the Mogul's ministers.

If the rights and trade of the two Companies in England had, in this season, changed their aspect, from an opposition of interests, to an Union, which was once more to render the East-India Company the commercial representatives of the nation, in its direct trade to and from the East-Indies, the circumstances of the foreign Settlements of each Company, from the servants of both being ignorant of this event, afforded only the continuation of the disastrous consequences of that opposition, which the impolitic establishment of rival Companies had produced.

It is a necessary preliminary, in reviewing the circumstances of the London East-India Company's foreign Presidencies, contending for their rights and trade, against the interferences of the servants of the English Company, to advert to the political situation of India, at this juncture.

In the last season it was found, that the conduct of the Presidents or Consuls, and of the Ambassador, had been influenced by the general opinion, that the great age of Aurungzebe, and the preparations for a civil war, for the succession, and for throwing

(1)—Letters from the Court to the Governor and Council of St. Helena, 16th April, 6th May 1701, 19th January and 6th February 1701-2.

CHAP. III. 1701-2.

throwing off the dependence of the Hindoos on the Mogul, had rendered the internal situation of the provinces, from which produce for investments was to be drawn, unfavorable to agriculture and manufactures, and unsafe for the transit of goods to the sea ports; hence, if competition between the two Companies had not existed, sales and purchases would have been difficult, and could not have been made at the old prices; but when the English Company attempted to buy up the goods, which the London Company were in the habit of collecting for their investments, the Ministers of the Mogul, and the Agents of the competitors for the Succession, considered both Companies, as precipitating their applications for Phirmaunds and grants, lest the Emperor's death should render all negotiation unavailing. It was this opinion which led these ministers, in the preceding year, to protract the negotiation, that they might extort large sums from each Company, and add to the wealth by which they were, individually, to maintain their stations, when the succession to the Crown should open to them opportunities of becoming officers of the new Sovereign:—this situation of public affairs explains the events which occurred, at the seats of trade of both Companies, particularly at Surat, where there were neither fortifications, nor force, to protect the English Factories from the arbitrary demands of the Governor, or the mandates of the Emperor, irritated by the continuance of piracies in the Indian Seas.

Sir William Norris refuses to second the applica-

At the close of the preceding season, Sir John Gayer, President Colt, and his Council, in consequence of orders from

CHAP. III. 1701-2. tions of Sir Nicholas Waite, for the imprisonment of the London Company's servants at Surat.

the Mogul, remained prisoners in their Factory, and the trade of the London Company was at a stand; for Sir Nicholas Waite, by every insidious art, had added to their distresses, and, at the time when the Ambassador was on his journey, pressed him to avoid, in his negotiation, making any application for the release of their opponents:—this ungenerous proceeding appears to have offended Sir William Norris, who blamed the violence of the Consul, and felt it inconsistent with his character (although he was soliciting privileges for the English Company) to become the instrument of encouraging the animosity, or revenge, of Sir Nicholas Waite.

This honourable conduct produced a coolness between the Ambassador and Sir Nicholas Waite, and, in the sequel, we shall find that this coolness terminated in his dividing his animosity between Sir William Norris, and the servants of the London Company.

Weak state of Bombay at this crisis.

Before adverting to the situation of Sir John Gayer and President Colt, at Surat, it may be proper to attend to the actual state of the government and defences of the Island of BOMBAY, because this was the only retreat, except that of going on board their ships, and retiring, for a time, to a port in the Mahratta dominions, which had occurred to these meritorious officers, during their confinement. The garrison of Bombay was weak, though efforts had been made to strengthen the Island, by adding to the fortifications at Mahim, and the other stations, that they might be prepared to repel any attack by the Siddee, or by the Portuguese, who had a considerable naval

naval force on the West of India, collected for resisting the aggressions of the Muscat Arabs:—the President described the Arabs, on account of their successes, to have become extremely insolent, and deterred only from making attacks on the Company's ships, by an impression, that they were too strong to become easy prizes:—this encreased the expediency of continuing the heavy charges to fortify Bombay against any open enemy, and against internal commotions, from the want of authority in the Governor, and from no Court of Judicature having been held in the Island for eleven years; additional forces, therefore, were required, to prevent Bombay being invaded by the Mahrattas, Moors, Arabs, and Portuguese, against whom an absolute necessity existed of using force, or of submitting to the total loss of the Island.

Sir John Gayer, therefore, stated to the Court, that unless a squadron of six men of war, with bomb vessels, should proceed from England, and act in conjunction with the Dutch, it would be impracticable to keep on terms with the Mogul, or the petty Princes on the Malabar Coast:—if such a fleet should be obtained, the instructions to the commander must be distinct and positive, as three of the King's ships, which had been sent out, had done nothing to suppress the pirates, and had returned home with cargoes of private goods, on account of Sir Nicholas Waite, and others, while the fourth (the Harwich) had been wrecked on the Coast of China;—the Indian Seas, therefore, had been left with no other defence, than what the guns of the Company's

CHAP. III.
1701-2.

Company's ships could afford; while the supply of recruits, this season, had been inadequate to the defence of Bombay.

The investment, this season, inconsiderable, from the oppressions sustained by the Company's servants at Surat.

This situation of the Company's only strong port, on the West of India, prepares us to resume the detail of the circumstances under which Sir John Gayer and President Colt were placed, during this season, and to describe the difficulties which were experienced, in procuring the partial investments which could be sent from this quarter of India.

These officers, after referring to their confinement, informed the Court, that it was impossible to evade the obligation in the Security-Bonds extorted from President Annesley, both because the French and Dutch had submitted to them, and because Sir William Norris and Sir Nicholas Waite had offered to give security for the Mocha fleets:—it was not less impossible to resettle the inland Factories, as ordered by the Court, because the funds intended for that purpose were absorbed, to support the trade against the English Company's Agents, who had raised the prices, and rendered the articles scarce, bad, and dear. This application of the funds had become necessary, as the large sums expended by the English Company on their Embassy, and the money they had been obliged to borrow for making up their investment, had rendered trade difficult, though it had, at the same time, reduced their own affairs; Sir John Gayer, therefore, concluded, that while the London Company continued to be charged with being guilty of the piracies, it was impossible to carry on peaceable trade at Surat; and, under all their difficulties, they had been obliged to send an

an Armenian Vakeel to Court, to watch the progress of Sir William Norris's negotiation. As the season advanced, it was discovered that the Ambassador had offered to give security for the Mocha and Judda fleets, and to make good the damages done them, in order to bear down the London Company's rights and trade, on the West of India:—the effect of this offer had been, to induce the Mogul Government not only to insist on the Security-Bonds, but to require the fulfilment of them by the Dutch, notwithstanding their evasions.

CHAP. III. 1701-2.

At the close of this season, Sir John Gayer and Mr. Colt continued to be confined to the Factory, though the Governor of Surat had been more favorable to them, than could have been expected; but, in such a situation, very little business could be done, and there was no appearance of being able to reduce the rate of interest, as the French and Dutch paid the same as the Company; a large stock, therefore, was required, to prevent the accumulation of interest, to discharge debts, and, particularly, to have funds ready for counteracting the measures of the English Company's Ambassador at Court:—On the whole, though they had obtained a quantity of Caramania wool from PERSIA, and a proportion of silk, in payment of customs, and a considerable quantity of pepper from the Malabar Coast, the investments of this season were, by no means, equal to what, under better circumstances, this part of the Company's possessions would have furnished. (1)

 The

(1)—Letter from the General and the President and Council of Surat to the Court, 31st August 1701.—— Letter (private) from Sir John Gayer to the Court, 20th February 1701-2.

CHAP. III.
1701-2.
Report of President Pitt on the state of affairs on the Coromandel Coast.

The report of President Pitt, on the suspended state of the Mogul Government, the appearances of civil wars between the competitors for the Crown, the preparations of the Hindoo Powers, to throw off their subjection to the Mogul, and the insidious conduct the English Company's Agents, to traduce the London Company's President and Council, at FORT ST. GEORGE, explains the limited state of the trade on the COAST OF COROMANDEL, in this season.

With that energy and correct sense of duty, which qualified him for the difficult circumstances in which he was placed, President Pitt made no hesitation in attributing to Sir William Norris, and to his negotiation, the order of the Mogul, to enforce the Security-Bonds of Surat, on the Settlements and trade on the Coromandel Coast, at which Consul Pitt's malice had gone as far as his local situation would admit, for he had informed the Native merchants, that Fort St. George was only a merchants' garrison, and that it was astonishing to him, the Mogul's officers would allow President Pitt to collect revenues from his subjects;—the President, therefore, concluded, that it would be impolitic to compromise with these officers, or with the Mogul Government, by giving them money, to allow the Presidency, under his administration, to remain undisturbed, because such bribes, with Indian Powers, served only as fresh incentives to violence, particularly when it was considered, that the Native officers had, already, seized the Company's property in the districts in which cloths and goods for the investment had been collected, and for which money had been advanced, to the amount of

of a lack and a half of pagodas :—Madras, at the same time, was narrowed in its purchases, by the neighbourhood of St. Thomé, and by the treacherous conduct of the Dutch, who were furnishing the Nabob with arms and ammunition :—It was for the Court, therefore, to judge of the expediency of sending a large supply of men and arms, with which President Pitt entertained no doubt, that he should be able to repel their violence, or overawe the Country Powers; and, in the event of a war with France, a considerable naval force must come from England, to keep the seas open, and protect the trade. From observation, he had already been satisfied, that the Natives would apply to the French for naval and military aid, (anticipating, what at a distant period actually took place on the Coromandel Coast) and even if the French should refuse this aid to the Natives, he was apprehensive they would bribe the Arab fleet to assist them in blockading the garrison. If such naval and military forces should arrive, he promised to revenge the insults which the Company had received from the Agents of their rival, and from the Moors, and that his best endeavours should not be wanting to employ both with effect. (1)

There does not appear, this season, to have been any direct communication, respecting the trade and Settlements at Bencoolen, either to Fort St. George, or to the Court.

Trade in Bengal improved, in consequence of the Em-

The favorable information, from Bengal, during this season, is explained, by the more tranquil circumstances of that Province, and of the Company's trade, than were experienced

(1)—Letter (private) from President Thomas Pitt to the Court, 19th February 1701-2.

CHAP. III. 1701-2. peror's Son being appoined Subah of Bengal.

experienced, either at Surat, or at Fort St. George. The Emperor's son continued in Bengal, though his conduct, as far as regarded the peace of the country, was limited by the power of the new Duan, who had arrived from Court:—this officer, President Beard represented to be a man of talents and mild disposition, and disposed to protect trade, and, to conciliate his favour, he had sent an Agent, and a suitable present, to his residence at Burdwan. Towards the close of the season, the Prince had been appointed Subah of Bengal, which vested him with more extensive authority, and had been ordered to fix his residence at Rajahmahl:—on his appointment he had presented the Emperor with thirty lacks of rupees, and had divided the like sum among the principal officers and ministers:—this large payment the President expected would bring heavy demands on the inhabitants, as a present had been required from the Factory, for the Prince, the payment of which could only be evaded, by pleading the restraints under which trade had been placed; but, it was probable, a sum, for this service, would be necessary.

It does not appear, that the order for prohibiting trade, till the Security-Bonds, granted at Surat, should be paid, had extended to Bengal, or that similar Bonds, for compensating such damages as might be done by the pirates, had, hitherto, been demanded; but, that this Presidency might be able to resist, either extortion or violence, President Beard reported, that he had made additions to Fort William, which were sufficiently strong to ward

off

off any attack by the Country Powers, and its security was daily becoming greater, by the number of the tenants who occupied the farms rented by the Company, and, of course, by the increase of the revenues.

President Beard recommends the establishment of a trade between Bengal and China.

This political tranquillity accounts for the large investments which were, this season, shipped for Europe, notwithstanding the competition in the market, by the English Company, from Sir Edward Littleton having received, more early than President Beard, so large a stock as to enable him to dispatch two ships fully laden for Europe; but the trade, on still a larger scale, would have been carried on, if sufficient stock had arrived, though, to prevent disappointment in England, President Beard had taken up £70,000 at interest, a burden which, the Court must be sensible, would give an advantage to the English Company in the market. In explanation, he added, that the extortions, by the Country officers, had created great difficulty in complying with the orders for saltpetre, from Patna; the ship Sidney had, however, been dispatched for England, with a cargo estimated at 869,700 rupees, and the Josiah, with a cargo valued at 954,500 rupees: —two ships, also, with Bengal goods, had been dispatched to Madras, to fill up with Coast goods, and thence to proceed to Europe. As an expedient for enlarging the investment of next season, President Beard advised, that a vessel should be sent direct from England to China, with a stock of £40,000, to bring, in return, China goods for the Bengal market, that the profits from

CHAP. III. 1701-2. from the exchanges, might be an additional resource to the stock which the Court might destine for Bengal.(1)

ENGLISH COMPANY.

The necessity of an Union attributed to the competitions between the two Companies in India.

The proceedings of the Directors of the English Company, at the opening of this season, discover the same moderation which marked their instructions to their foreign Presidencies, at the close of the preceding year;—they stated, that the near approach of an Union, between the two Companies, required that their servants should conduct themselves with civility towards those of the London Company:—in general, they disapproved of the intemperance of Sir Nicholas Waite, in his interferences with the Governor of Surat, which had augmented the oppressions Sir John Gayer and President Colt had experienced, without serving any useful purpose, either in respect to grants, or to the trade of his employers. As yet, the Court had not received an authentic copy of Sir Nicholas Waite's letter to the Mogul, soliciting Phirmaunds, or grants, for Surat; but they blamed the whole of this measure, as improvident, and tending rather to embarrass, than to promote the negotiation with which Sir William Norris had been entrusted.

As

(1)—Letters from President Beard and Council of Fort William to the Court, 8th January and 4th February 1701-2.

As the season advanced, however, and when the basis of the Union was settled, the instructions to Sir Nicholas Waite, and the Council at Surat, assumed a more decisive tone; for the Court assigned one principal cause of the Union to be, the great loss which had been sustained from the high price paid for goods in India, by the competition between the two Companies, and, in particular, for the purchases made at Surat; a competition which was, in future, to be laid aside, the terms for the Union of the two Companies having been adjusted, and the Deed of Agreement drawing out.

Equipments, stock, and instructions for Surat, and orders to Sir William Norris to discontinue his applications for Phirmaunds.

In connexion with this event, instructions were sent to the Ambassador to desist from farther negotiations for a Phirmaund, there being a necessity for retrenching expences, as £70,000, only, had been allowed, by the London Company, to the English Company, for their Dead Stock and Settlements, and to cover the charges of the Embassy; which was but a small sett-off against the value of the London Company's Dead Stock, which had been estimated at £330,000:—It was, therefore, order ed that animosities and opposition between the servants of the two Companies, should, in future, cease, and one common interest be pursued.

It does not appear, that any new stock or equipments were prepared for SURAT, direct, but the Court destined the ship Canterbury for China, and thence to return to Surat, where she was to deliver such quantities of copper, camphire, and gold, as she might obtain, from the sale of her cargo, and then to take on board such investmen s as might

CHAP. III. 1701-2.

might have been provided, or could be purchased with this money.[1] The ship, Arabia Merchant, was also dispatched to Mocha, with a stock estimated at £6,500, to be under the management of three Supercargoes, with instructions to purchase myrrh, aloes, olibanum, and coffee; and, should any surplus remain, after complying with the Court's orders for these articles, it was to be invested in coffee, to be sent to Surat.[2]

Equipments, stock, and instructions for the Coromandel Coast.

The orders of the Court to Consul Pitt, at MASULIPATAM, assumed the same moderation with those for Surat, with the preliminary explanation, that from not having documents, to ascertain the true causes of the delay of the Ambassador on that Coast, they postponed forming any judgment on the subject; —that the information respecting their interests on the Coast had been defective, and they, therefore, required, that a regular correspondence should be maintained, between Masulipatam and their other Presidencies, and copies sent to the Court, to afford a knowledge of the real state of their affairs. As the season advanced, and the terms of Union were fixed, the Court repeated, that the great losses sustained on Indian goods had imposed the necessity of this measure, and that all expences for buildings were to be retrenched, or discontinued, and all animosities, between the servants of the two Companies, to cease]

The

(1)—Letters from the Court of Directors of the English Company to Sir Nicholas Waite and Council at Surat, 20th May, 21st November 1701, 8th and 10th January 1701-2.

(2)—Instructions from the Court to the Supercargoes of the Arabia Merchant for Mocha, 18th November 1701.

CHAP. III. 1701-2.

The commercial instructions discovered, even previously to the Union, the embarrassments of the English Company, for they allowed individuals to send home, on private account, goods (raw silks and muslins excepted) on their ships, after Michaelmas 1701, on payment of one and a half per cent. *ad valorem,* as freight; and instead of dispatching, in the early part of the season, any ship direct to the Coast, rather sent the stock on the trade to China, where it was expected the sales might produce a resource for the investment of Coast goods:—on this service the ship Halifax was consigned to Canton, and directed to return to Masulipatam, and deliver her assortment of sugar, sugar-candy, and gold, and then fill up with Coast goods for Europe.

After the Union had been agreed on, a general order was given to suspend the purchase of Coast goods, unless the prices could be reduced to the old standard, and rather to complete the investments with saltpetre and gruff goods only:—towards the close of the season, the ship Norris was sent, with a stock estimated at £110,000, of which £30,000 was designed for Masulipatam, but under like instructions, as to purchases; and, in her homeward voyage, to proceed to the Cape, or to St. Helena, a convoy of men of war having been appointed for the protection of the trade.(1)

(1)—Letters from the Court of Directors of the English Company to the President and Council on the Coast of Coromandel, 18th July, 21st November 1701, 8th and 10th January, and 3d February 1701-2.

CHAP. III.
1701-2.
Equipments, stock, and instructions for Bengal, and approbation of Sir Edward Littleton's conduct.

The opinion of the Court, regarding their affairs and trade in Bengal, both before and after intimating the event of the Union, discovers, that they were more satisfied with the conduct of Sir Edward Littleton and his Council, than with their servants on the Coast, or at Surat, and that they considered this as the most probable quarter, from which a profitable trade could be expected.

In the early part of the season, when anticipating an Union, they prohibited the building of houses, as the amount of the charges might be lost; and as seventy thousand rupees, which had been paid to the Prince, for permission to trade for a limited time, was a greater sum than the profits would bear, they expressed their conviction, that the existence of the trade of two Companies, particularly while the Prohibition Act continued, would render the profits, both on exports and imports, precarious and small:—the same directions were given, as to Masulipatam, for permission to individuals to send home goods, on their ships, after Michaelmas 1701.

After the basis of the Union was settled, similar orders were sent to BENGAL, and the equipments and stock (independently of the ship ordered from China to the Ganges) were on a large scale:—the Upton Galley had been dispatched, in July, with a stock estimated at £29,000, it being explained that, in future, ships, proceeding to Bengal, would not exceed four hundred tons, from the difficult navigation of the Ganges. The ship Union had been sent to China, (agreeably to the general plan of having one vessel

vessel from China to return to each of the Settlements,) and, besides her stock, was to add to the resources, by her gold, copper, tutenague, and allum, and then to take in an investment of Bengal goods for Europe.

About the time when the Union was settled, (January 1701-2) the ship Tankerville was consigned to Bengal, with a stock, estimated at £97,000, and under similar instructions, respecting that event, with those which have already been mentioned; or, if Bengal goods could not be reduced to the old prices, the ship was to return with saltpetre, raw-silk, and floretta yarn, only. As war had taken place in Europe, each ship was to take in one hundred tons of saltpetre, above the quantity specified in her charter-party, at £17 per ton freight, and also to carry an additional hundred tons, to the Coast, as kintledge.

It has already been noticed, that, at the end of the season, the ship Norris was dispatched for Coast and Bay, with a stock estimated at £110,000, of which £80,170, in bullion and goods, was designed for Bengal; an early dispatch, therefore, was recommended, that the Bengal ships might have the benefit of the convoy appointed for the homeward-bound fleet.

The Court, on this occasion, directed, that the subordinate servants, when not at Hughly, or the principal Factory, should attend the different "Aurungs," with small stocks, both to instruct them in the knowledge of buying and selling goods, and to accustom them to the language

CHAP. III.
1701-2.

and habits of the Natives; but, in executing these duties, they were to proceed "without the affectation of pomp or grandeur, "and *as merchants ought to do.*" (1)

Equipments, stock, and instructions for China, and appointment of a garrison for Pulo Condore.

Information having been received of the arrival of President Landen at Borneo, of his having obtained a *chop* for trade, and liberty to build a bamboo-house at Banjar-Massin, but only to use small arms, not great guns, for its defence, and that he had paid three hundred and fifty pieces of eight for this permission, and given presents to the amount of nine hundred and fifty, the ship Macclesfield was dispatched, early in this season, for that station, with a stock estimated at £4,365, and, towards the close of it, the Panther, with a stock of £16,400, and the ships Edward and Dudley, and Herne Frigate, with a stock of £5,000 each.

The general instructions to President Landen were, to make a contract for as much pepper as could be procured in Borneo, but this contract was to be on the English Company's account, notwithstanding the negotiation for an Union; and if the tonnage could not be filled up with this article, to take in Java sugar:—the pepper, if practicable, was to be purchased with Coast and Bay goods, and opium, which, it was supposed, would sell on the Coast of Java, and in the Islands:—the returns, in general, were to be in pepper, long pepper, cassia lignum, dragons' blood, bees-wax, and canes; and as it had been discovered,

(1)—Letters from the Court of Directors of the English Company to Sir Edward Littleton and Council at Hughly, 25th July, 2d August, 21st November 1701, 8th and 10th January, 3d February, and 9th March 1701-2.

discovered, that two of the Separate Stock ships had obtained pepper at Borneo, this traffic was, in future, prohibited.(1)

The prospect, or even the accomplishment of the Union, does not appear to have affected the determination of the Court to enlarge their trade to CHINA, or to vary in the resolution they had taken, to form an intermediate station on the Island of Pulo Condore.

The equipments were,—for AMOY the ship Canterbury, under the charge of three Supercargoes, with a stock estimated at £34,400:—the investment of China goods which this vessel might purchase, was to be consigned to Sir Nicholas Waite;—the Supercargoes were to settle, either at Pulo Condore, or to return to Surat, as might appear most advantageous for the general interest;—and for CANTON, the ship Halifax, with a cargo estimated at £40,800, under the charge of a Chief and three Supercargoes, and, as specified in the instructions to Masulipatam, the cargo was to be consigned to Consul Pitt. CHUSAN, however, was considered as the most probable place, at which an investment of China goods could be obtained, for the ships, the Macclesfield, the Union, and the Robert and Nathaniel, were equipped for that port, with stocks estimated, together, at £101,300, and (agreeably to the plan already mentioned) the Union's cargo was to be sent to Bengal.

The

(1)—Letters from the Court of Directors of the English Company to President Landen and Council, at Banjar-Massin, in Borneo, 21st and 29th August 1701, 8th and 9th January 1701-2, and 2d April 1702.

CHAP. III. 1701-2.

The information which had been received, of the evasions of the Chinese, in fulfilling the grants of trade which they had promised, had satisfied the Court of the impropriety of sending an Ambassador to China, and, therefore, they rather trusted to the information their servants might receive, from the French Missionaries at Pekin, than to an Embassy; in return for such services, a passage to Europe was to be offered to any of these French Missionaries, on the Company's ships.

This opinion of the evasions of the Chinese, and the report of President Catchpoole, of the propriety of forming an establishment at PULO CONDORE, induced the Court, after consulting with the celebrated Captain Dampier, to fix a Factory on that Island, and to erect a fortification for its defence, for which between thirty and forty men were embarked, as a garrison, and Mr. Rashell, with the rank of Lieutenant, appointed Provisional Governor, till the arrival of President Catchpoole from Chusan, to whom he was to be subordinate:— Mr. Rashell was also to act as chief Engineer, and to be attended with thirty-seven artificers, to assist in erecting fortifications and batteries, for which stores were sent, valued at £1,680. (1)

The

(1)—Letters and instructions from the Court of Directors of the English Company to the President and Council, and Supercargoes, of their different Settlements in China, 25th November and 24th December 1701.—— Instructions to Mr. T. Rashell, going out as Governor of the intended Settlement at Pulo-Condore, 25th November 1701.

CHAP. III.
1701-2.

The probability of civil wars in India renders the speedy accomplishment of the Embassy necessary.

The same arrangement of the foreign Annals of the English Company, as in the preceding season, may be observed, in the details of this year (1701-2), or, to continue the sequel and result of the negotiations of Sir William Norris, under the transactions at SURAT, and then revert to the political and commercial events at this Presidency, and, subsequently, at the others, that the actual state of the English Company's affairs may not, farther than as affected by the Embassy, be involved in the circumstances under which it terminated.

It may, as preliminaries, be mentioned, notwithstanding the great age of Aurungzebe, the preparations for the war of succession among his descendants, and the war for independence by the Hindoo Chiefs, that the impression of the wisdom and power of this Emperor, had preserved the Mogul Government from civil or foreign wars; and it may be also observed, that the same motives remained with the Ambassador and Consuls of the English Company, to obtain, as speedily as might be possible, Phirmaunds, or grants, for trade, at each of their Presidencies, which, at all events, might become the ground for future claims, though the tenures, under which they could be held, at this juncture, could only be temporary and precarious.

At

CHAP. III.
1701-2.
Each of the English Company's Presidencies recommend to the Ambassador to solicit Phirmaunds, suited to their respective situations.

At the close of the preceding season, we traced the events in the Embassy, to the arrival of Sir William Norris at the Mogul's camp at Parnella, on the 4th April 1701, where he obtained permission to encamp with his retinue, till such time as the ceremonials for his audience could be adjusted:—at this place he received bills, to the amount of twenty-three thousand rupees, from Sir Nicholas Waite, as one of the means for defraying his charges.

Sir William Norris, on this occasion, first discovered, that the charges of the Embassy would not only exceed the calculations of the Court, and his own, but that each of the Presidencies shifted the payments, from the one to the other; and each of them had become discontented, at the circumstances by which the negotiation had been protracted, and had expressed an opinion, that ultimate success was improbable. As if these difficulties had not been sufficient, each of them, with their proportions of the charges, sent different statements of the particulars which it would be necessary to solicit, in their respective Phirmaunds, though the Court, when the Embassy left England, recommended that one General Phirmaund for the English Nation, should be solicited, in which the Consular powers were to be recognized.

The situation in which the Ambassador was placed, by these circumstances, may be estimated from the instructions transmitted to him, by the different Presidencies, for the particular Phirmaund which each required, to place their trade in a situation suited to the character of the Mogul officers, who

who governed the countries in which their Factories were situated.

Relative circumstances of the Ambassador with the English Company's President at Surat;

Sir Nicholas Waite, and the Council at Surat, on hearing from the Ambassador, that the efforts of the Dutch, and of the London Company's Vakeels were directed to throw obstacles in the way of his negotiation, the one as the representative of an European commercial state, with interests opposed to both Companies, and the other as the representative of a powerful rival, possessed of greater resources than the English Company, admitted the reasons why the audience had been protracted, while the Mogul's Ministers began to doubt, respecting the character, as well as the objects of the Ambassador.

These delays occasioned fresh demands on Surat, for supplies to defray the expences of the Embassy. Sir Nicholas Waite answered, that, though it was his duty, he could not comply, without diverting the stock of the Company, intended for trade, and employing the ships on freight, to prevent demorage; and instanced the Rook Galley, which had been sent on freight to Persia, instead of being dispatched to England, conformably to the Court's orders.

It had been the original intention of the Court, that the Presidency of Surat should advance the whole of the money for the Embassy; Sir Nicholas Waite, therefore, urged the Ambassador to push on the negotiation, by every possible means, explaining, that, to his knowledge, the Governor of Surat, and the London Company, had made every effort to counteract it, by their emissaries, and by immense sums, as bribes, to the

 principal

CHAP. III. 1701-2. principal Ministers of the Mogul; but that he would continue to make advances for the Embassy. In answer, Sir William Norris stated, that though the Albemarle had arrived with presents for the Mogul, estimated at £1,500, yet that the charges of remittance, unless the money could be sent by bills, were daily adding to his expences, and complained of not having been furnished with sufficient sums of money:—Sir Nicholas Waite answered, that the Ambassador had already received from Surat, money amounting to 355,179 rupees, a sum exceeding the value of two ships' cargoes, so that the business had not been delayed by any want of supply from this Presidency, but that the large sums which Sir William Norris had agreed to pay, (or a lack and a half of rupees to the King's Ministers, and a lack to the Mogul himself,) would be thrown away, if the alterations, which he had suggested, were not introduced into the particular Phirmaund for Surat, for a General Phirmaund would leave the English Company's privileges in a worse state than those of the London Company; that is, exposed to the consequences of the Security-Bonds, and to the payment of the losses which the merchants of Surat might experience, from the depredations of the pirates. In this situation, the relations between the Presidency of Surat, and the Ambassador, were placed, in the month of August, when Sir William Norris was proceeding in his negotiation, and when another bill, for twenty-thousand rupees, was sent to him, but, under a restriction, that

that he should not, in future, exercise the discretionary powers with which he had been vested, of making presents to the Mogul's officers. CHAP. III. 1701-2.

Having thus traced the relations between the Surat Presidency and the Ambassador, we have next to advert to the like relations between him, and the Presidency of Masulipatam. — with the President at Masulipatam.

Consul Pitt, in his letters to the Ambassador, represented the importance of obtaining an order, to recall the power of the London Company to coin rupees and pagodas, "with figures," and to have this privilege conferred on the English Company, because this had given the London Company a preference in the market, from the facility which it afforded, in issuing money;— in answer, the Ambassador desired that money might be sent him, to defray his expences, as the Presidency of Surat had only sent forty thousand, instead of a lack of rupees, and, their broker's bills could not be negotiated. Consul Pitt, on receiving this demand, made a remittance, to the amount of half a lack of rupees, though the loss on exchange amounted to £20 per cent.; but, at the same time, intimated, that the state of the funds of the Presidency of Masulipatam was such, that farther remittances could not be expected.

This Presidency, on learning the intentions of the Ambassador, disapproved of his draft of a Phirmaund, as applicable to the Coast:—in particular, of the regulation for settling differences, between the Mogul subjects and the English, by appeals to the Native Courts, instead of reference to the Consul and Council, agreeably to the established practice observed by the

CHAP. III. 1701-2.

the Presidents and Councils of the London Company; for though such a reference might be proper at Surat, at which the Company had a house, and the Governor was a person of high rank, it was different at Masulipatam, where, though the Company had, also, a house, the Governor was a person of inferior rank, and subject to the "Nabob of Siccacole."

— and with their President in Bengal.

The communications, between the Ambassador and Sir Edward Littleton, at Hughly in Bengal, exhibited, also, a diversity of opinion, though, perhaps, more readiness, on the part of this Presidency, to contribute to the charges of the Embassy.

In the month of April 1701, Sir Edward Littleton sent a draft of a Phirmaund to Sir William Norris, specifying the privileges which would be necessary for carrying on the trade, with security and advantage; in particular, that it should comprehend liberty of trade, in the provinces of Bengal, Bahar, and Orixa, because, from the constitutions of those provinces, the manner in which privileges of trade could be exercised, was different from what they were in any other part of the Mogul dominions; and suggested the propriety of making such alterations on the title of the Phirmaund, as might distinguish it from the Phirmaunds, or grants, under which the London Company had hitherto maintained their stations and trade; engaging, at the same time, to honor any bills the Ambassador might draw, provided the amount of the whole did not exceed half a lack of rupees. This effort Sir Edward Littleton considered to be the greater, because any demand on him was unexpected, it having been understood, that the charges were to have been wholly defrayed by the

Presidency

Presidency of Surat, and asserted, that he could have obtained a Phirmaund for that sum, had he been authorized to make the application through the King's Duan at Hughly:—That he might not, however, be deficient in sending such aids, for forwarding the Embassy, as he could command, he suggested, that the Ambassador should employ "Rajah-Ram," as a Vakeel, who, from his great knowledge of the affairs of Bengal, was particularly qualified to assist in promoting the commercial interests of the English Company.

In the month of May, Sir Edward Littleton again represented to the Ambassador, the inconveniency under which he had been placed, from the delays in obtaining the Phirmaund, as the time had elapsed for which he had paid a large sum for permission to trade, and an order had come down from the Mogul, for exacting three thousand rupees, as permission money, for each ship the Company might dispatch for England.

In this situation of the connexion, between the Ambassador and the three Presidencies, we have to trace the progress of his negotiation.

Sequel of the progress of the Embassy.

Sir William Norris arrived at the Mogul's camp, before Parnella, in April 1701, and obtained permission to encamp near it. In this early stage of the business, he received information of the Act of Parliament, continuing the London Company a Corporation, and (as might be supposed) this event produced hesitation, respecting the basis upon which it had been agreed he was to open his negotiation, or the substitution of the English

lish

CHAP. III. 1701-2. lish Company for the London Company, after Michaelmas 1701. On consultation with the principal persons attending the Embassy, it was agreed, that it would not be lawful for the Ambassador to represent to the Mogul, that the London Company were to determine in September 1701, notwithstanding his previous assertion of this circumstance to the Governors of the provinces, and to the Mogul's Ministers;—this resolution occasioned difficulties, respecting the manner in which he was to open the business to the Emperor; but it was impossible to retract, for already the time had been fixed for his Audience, and the ceremonials of his Procession had been settled.

Order of the procession at Sir William Norris's audience of the Mogul.

The order of the Procession, on the 28th April 1701, was, as follows:—

" Mr. Cristor, Commander of his Excellency's artillery, on
" horseback.

" Twelve carts, wherein were carried the twelve brass guns,
" for presents.

" Five hackeries, with the cloth, &c. for presents.

" One hundred cohurs and messures, carrying the glass-ware
" and looking-glasses, for presents.

" Two fine Arabian horses, richly caparisoned, for presents.

" Two ditto, without caparisons, for presents.

" Four English soldiers, on horseback, guarding the presents.

" The Union flag.

" The Red, White, and Blue flags.

" Seven state horses, richly caparisoned, two with English
" furniture, and five with Indian.

" The

" The King's and his Excellency's Crests.

" One state palanquin, with English furniture, of silver tissue,
" brocaded.

" Two other Crests.

" The music, with rich liveries, on horseback.

" Mr. Basset, Lieutenant of his Excellency's foot guards, on
" horseback.

" Ten servants, in rich liveries, on horseback.

" The King's and my Lord's Arms.

" One Kettle-Drum, in livery, on horseback.

" Three Trumpetts, in liveries, on horseback.

" Captain Symons, commander of his Excellency's guards.

" Twelve Troopers, every way armed and accoutred after the
" English mode.

" Mr. Beverley, Lieutenant of his Excellency's horse guards.

" The King's and my Lord's Arms, richly gilt, and very large;
" the first being borne by sixteen men.

" Mr. John Mill and Mr. Whitaker, on horseback, in rich
" laced coats.

" Mr. Hale, Master of the Horse, richly drest, carrying the
" Sword of State, pointed up.

" His Excellency, in a rich palanquin,—Indian embroidered
" furniture.

" Four pages, two on each side his Excellency's palanquin,
" richly drest.

" Edward Norris, Esq., Secretary to the Embassy, in a rich
" palanquin, carrying His Majesty's letter to the Emperor;

" on

CHAP. III. 1701-2.

"on each side, Mr. Wingate and Mr. Shettleworth, in "rich laced coats, on horseback.

"Mr. Harlewyn, Treasurer, wearing a gold key } in a Coach."
"Mr. Adiel Mill, Secretary to his Excellency }

Substance of the Phirmaunds agreed to by the Mogul.

The Ambassador, on being received by the Emperor, requested that Phirmaunds might be granted to each of the Presidencies of Surat, Masulipatam, and Hughly, with an exemption from the bonds given by the London Company, for the security of the seas. The Emperor's orders were issued for these grants, and, in return for these favors, the Ambassador paid another visit of state to the Mogul, and presented him with two hundred gold mohurs. The Phirmaund for Bengal was more extensive than those for Surat or Masulipatam, because it granted a total exemption from payment of duties, and permission to have a mint; but the authority with which the Consuls, or Presidents, were to be vested, was the same at each Presidency.

The delivery of the Phirmaunds impeded by the irregular conduct of Sir Nicholas Waite.

The result of the negotiation thus appeared to be favorable, when circumstances occurred, which alarmed the Ambassador for the final success of the business. Sir Nicholas Waite had, (as has been noticed,) previously to the arrival of the Ambassador, addressed a letter to the Mogul, soliciting a separate Phirmaund for Surat :—this interference, if it was irregular with respect to the Ambassador, was, at this crisis, discovered to have been not less so, with respect to the Mogul Government, because, in his Persian letter, Sir Nicholas Waite had promised to give security for the safe navigation of the Southern Seas, but, in the English translation, communicated to the Ambassador, and to the Court, he

he had suppressed this circumstance, and thus, though the Ambassador had obtained an exemption from the Security-Bonds, extorted from the London Company, the Mogul's Ministers considered the security offered in Sir Nicholas Waite's letter, as the ground on which the Phirmaunds had been given :—a delay, of course, took place, till this objection could be explained or removed. This circumstance again brought complaints from Sir William Norris, against Sir Nicholas Waite, not only for having, by this letter, impeded his progress, but for the scanty supplies of money sent from Surat, to defray the charges, which had nearly ruined the Embassy.

Another unfortunate circumstance occurred, at this crisis, or the information of a Dervise to the Mogul, that the London Company had not paid their debts, or rather the losses sustained by the Mogul subjects, from the pirates; this intelligence (though the orders had been issued for the Phirmaunds) created a second delay, and produced a positive order from the Mogul, to seize the property of the London Company, and the persons of their servants, and to prohibit their trade in every part of his dominions. This order, though it met the wishes of Sir Nicholas Waite, and gratified his revenge on Sir John Gayer and President Colt, produced an effect on the Embassy which had not been anticipated, or, that should the property of the London Company not be sufficient to cover those debts, the English Company would be made liable for them.

Though these circumstances, in themselves, account for a temporary delay in issuing the Phirmaunds, the applications of the

The Mogul desires the Governor of Surat, and

CHAP. III.
1701-2.
Seid Sedula, to report which of the two Companies represented the English Nation.

the Ambassador, for one Company, and of Armenian Vakeels for another, each offering bribes, and lavishing money, for the same object, excited doubts in the mind of the Mogul, and of his Ministers, which of the two Companies were, in fact, "the real English Company," and induced the Mogul to order a letter to be written to "Seid Sedula, an holy Priest at "Surat," to ascertain, by examination, which of the two were really authorized by the English Nation:—this event transpiring, (as it must have done from the nature of the enquiry,) the competitions of the Agents of the two Companies, which should obtain the favorable report of the Priest, again became the source of delay; for, in the whole of these transactions, bribery was the only means which could be employed.

Sir Nicholas Waite was given to understand, that ten thousand rupees would be the price of the Priest's report, in favour of the English Company; but if such report had really been made, its effects would have been immediately frustrated, by the arrival of eight Mocha ships, the commanders of which reported, that three of their fleet had been taken by an English pirate:—what, at first, was delay only, now turned to hesitation about granting the Phirmaunds, though the reason assigned by the Mogul's Ministers was, that they could not be issued, till a report was made, from Surat, of the execution of the Mogul's orders, and an account received of the London Company's property, that it might be ascertained, whether they had funds sufficient to liquidate the damages done by the pirates.

The

CHAP. III.
1701-2.

The bribe required by the Priest, was to be followed by one to the Governor, who intimated, that he had received an order from the Emperor, to report on the power of the respective Companies; that is, on the amount of the sum which each could pay:—the Governor made an offer, himself, to obtain the Phirmaunds for the English Company, on condition that the Consul should pay 125,000 rupees for the first, 62,500 the second, and 100,000 for the third, and that these sums should be paid at Surat; but, before any of the Phirmaunds could be issued, the seas must be cleared of the pirates.

Reciprocal accusations of the Ambassador and of Sir Nicholas Waite.

These delays and disappointments produced mutual accusations between the Ambassador and the Consul;—the Consul and Council accused the Ambassador to the Court of Directors, of having, for an European ceremony, disobliged the Grand Vizier, at Brampore, and Mr. Mill, the private Secretary and Interpreter, of having, from his ignorance of the Persian language, and usages of Eastern Courts, increased the disgust which the Ambassador's ill-judged sense of dignity had created; and also of having neglected to investigate, sufficiently, the proceedings and conduct of the London Company's Vakeels, who, from better knowledge of the customs of Eastern Courts, had completely over-reached him:—Sir William Norris, on the other hand, accused Sir Nicholas Waite, not only of having impeded his progress, by the imprudent letter which has been referred to, but of having withheld the money required as bribes, to ensure success.

 It

CHAP. III.
1701-2.
The negotiation broken off, and passports demanded by the Ambassador.

It may be easily supposed, that, under such circumstances, and in a Court where the interests of the Mogul, and of his Ministers, were alone to be consulted, and their predominant avarice gratified, a negotiation, experiencing so many difficulties, must break off; the cause of which, Sir William Norris, in his dispatch to the Consul at Surat, of the 28th October 1701, stated to have been, a demand, by the Emperor, for the security of the seas, against pirates, which was evaded, by the Ambassador pleading the security given by the three European Nations, and that it was unreasonable to demand security against the Malabar pirates, who were the Mogul's own subjects, and whose actions he, alone, could control; but that he was ready to give a lack of rupees to be exempted from the obligation :—this answer not being satisfactory, the Mogul intimated to the Ambassador, that "the English best knew if "it was their interest to trade, and if the Ambassador refused "to give an obligation, he knew the same way back to England "that he came." Considering this answer as a dismission from Court, Sir William Norris desired "Dusticks," or passes, for Surat, and published a notice, in the Persian, Hindoo, and English languages, that all persons, having any claims on the English Embassy, should give them in, in five days, as, at that time, he proposed to commence his journey, and requested, through the Vizier, an audience of leave of the Emperor.

The Mogul's Ministers, on this occasion, sent, by Rustum, the broker, the obligation required by the Emperor, for the Ambassador's signature, which he refused, on the principle, that

that, if granted, it would bring an incalculable demand on the English Company, which must ruin their affairs;—a demand which probably never would have been made, had not Sir Nicholas Waite offered to grant security for the Southern Seas.

The passes for the Ambassador's return to Surat were accordingly granted, and having struck his tents, he set out, on the morning of the 5th November 1701, from the Mogul's camp "at Murdawnghur," on his march to Surat.

Opinions of the English Company's Presidencies on the issue of the embassy.

The opinions of the different Presidencies, on the rupture of the negotiation, and on the pernicious consequences of the Ambassador leaving their rights and trade without Phirmaunds, were;—at Surat, that he was not entitled to break off the Embassy, by the twelfth article of his instructions, without the consent of Sir Nicholas Waite, and his Council:—at Masulipatam, that his conduct had been rash and imprudent, though, they still hoped the Phirmaunds might be procured, through the influence of the Vizier, and that it was absurd to insist on European forms, not understood in an Eastern Court, and not less so, to have neglected, from no better cause than mere punctilio, to pay his respects to "Assed-Khan," the Vizier, at Brampore, and conciliate his favor to the Company:—at Hughly, that the delays in obtaining the Phirmaunds, had exposed the trade in Bengal to exorbitant demands from the Mogul officers, and obliged them to apply to the new Duan, for permission to continue trade, which, from the rash and imprudent conduct of the Ambassador, might ultimately be endangered.

We

CHAP. III.
1701-2.
Sir William Norris returns to Surat, and embarks for England.

We have now to resume the account of Sir William Norris's progress, who, agreeably to his resolution, left the Mogul's camp, on the 5th November 1701, and continued his journey for three days, when "Mahmood Khan, Duan of the Decan," overtook him, and, by the Emperor's orders, desired his return to Court, asserting that he had set out without the Emperor's dusticks, and, on Sir William Norris producing them, affirmed they had proceeded from an inferior officer, without orders, and desired that he would halt for two days, till the Emperor's pleasure should be known.

Having halted for the time required, and no counter-orders reaching him, Sir William Norris continued his march, and reached Brampore on the 14th November, where he found the Nabob, "Gazedee Khan," the Mogul's chief General, encamped:—conferences, and visits of ceremony, took place between the Ambassador, and the officers of this General, who desired that he would halt for a week, to give time to write to Court in favour of the Embassy. In this interval, every effort was made, to induce Sir William Norris to visit the General, or Nabob, which he declined, under the apology, that not having taken a a personal leave of the Emperor, he could not, with propriety, pay his respects to any of his officers; and no notice having been sent him direct from the Mogul, he recommenced his journey, on the 22d November. He had not advanced above two coss from Brampore, when he was surrounded by a large body of Gazedee Khan's troops;—but the determined appearance of resistance, by Sir William Norris's guard, prevented any

any violence, and the request was again made, that he would return to Brampore, for a few days, with which he was under the necessity of complying, as his tents and baggage had been seized. CHAP. III. 1701-2.

Sir William Norris protested against this outrage, as an insult offered to the representative of a great King; but the protest was answered, by Gazedee Khan informing him, that he could not allow him to proceed, till the Emperor's pleasure should be known; and it was in this situation, that he learned, on the 28th November, that orders had been sent to Surat, to seize the property of the London Company, and the persons of their servants, till such time as the obligation for the security of the seas, given some years past, should be complied with:—on the 2d December he was informed, that, at the recommendation of Gazedee Khan, the Phirmaunds would be granted, and a demand was made of a sum of money, for the intercession of this officer.

Affairs were in this situation on the 7th January 1701-2, and continued so till the 4th February, when the Ambassador was informed by Gazedee Khan, that he had received a letter and sword from the Emperor, for the King of England, with a promise, that the Phirmaunds should be sent, in a short time:—The Ambassador received the presents, and, at the same time, passes for Surat, for which he set out on the 5th February. Rustum, the broker, was detained by the Emperor's orders, but was directed by the Ambassador, not to sign any obligation, or give any farther sums of money, on account of the Embassy. Sir William

CHAP. III. 1701-2. William Norris, at this time, promised to Gazedee Khan, that, should the Phirmaunds be granted, (besides the two thousand three hundred gold mohurs which he had actually paid to him,) he should be farther remunerated with a lack and a half, and his brother, with twenty thousand rupees.

It was not, however, till the 12th April 1702, that Sir William Norris reached Surat, and, on the 18th, waited on the new Governor, who had formerly been Treasurer (the old Governor and his son having been dismissed from their offices), and obtained permission for Sir Nicholas Waite to go out of the city, in which he had been confined since the Ambassador left the Court. On the 29th April, Sir William Norris embarked, with thirteen of his retinue, on board the Scipio, a Permission ship on the Separate Stock, and paid ten thousand rupees for his passage; Mr. Norris, his brother, and Secretary of the Embassy, with fourteen of the Ambassador's suite, went on board the China Merchant, one of the Company's ships, the cargo of which amounted to sixty thousand rupees, on the Company's account, and eighty seven thousand two hundred rupees, on Sir William Norris's. This embarkation was effected, by giving a bribe of three thousand rupees to the Governor, and two thousand to his principal officers. The terms on which the Ambassador and Consul separated, at the embarkation, may be collected, from Sir William Norris having declined to deliver to Sir Nicholas Waite, a copy of his diary on papers, though he gave up his horses, camels, oxen, and elephant, to be sold, on the Company's account.

On

CHAP. III. 1701-2.

On the 5th May 1702, the Scipio and China Merchant sailed for England, and though it be anticipating events, which, in the order of the subject, ought to come into the Annals of the subsequent season, it is, perhaps, preferable to introduce the result of this voyage, which proved as disastrous to the Ambassador, as unfortunate to the English Company.

Death of Sir William Norris, who leaves a narrative, explaining his conduct to the King and Court of Directors.

On the 11th July 1702, Sir William Norris arrived at the Mauritius, where he found the China Merchant, having on board his brother, Mr. Edward Norris, the Secretary of the Embassy, and the remainder of his retinue. On the 7th September, the fleet, consisting of the Scipio, the China Merchant, the Martha, the Rooke, and the Rising Sun, sailed from the Mauritius, and on the 24th, the Scipio parted company. Sir William Norris was seized with a dysentery, and died on the 10th October 1702, and the Scipio arrived at St. Helena on the 31st of that month :—a few days before his death, the Ambassador directed Mr. Harlewyn, the Treasurer of the Embassy, (Mr. Mills, his private Secretary, having died on the 25th May) to convey to the Court the following narrative of his conduct, as the only means which were now left, to vindicate his character, and to preserve to his memory that respect which, notwithstanding his misfortunes, he hoped he should have received, had he lived to explain the whole of his proceedings to his Sovereign, who had placed so important a negotiation in his hands, and to the English Company, whose interests had been the rule of his zealous, though unsuccessful efforts; and, with the narrative, transmitted copies of all letters, between himself and the Presi-

CHAP. III. 1701-2. dencies in India, trusting they would afford sufficient evidence of his faithful discharge of his duty.

The substance of the narrative is, that Sir William Norris had refused granting the security required for trade against the pirates, particularly between Surat and Mocha, because this, in fact, would have been covering the principal part of the trade of both ports, in which the cargoes were not only valuable, but the riches of the pilgrims, annually proceeding to and from Mecca, so great, that it would have been impossible for the Company to liquidate such large demands:—that the Dutch, the principal rival of the English in the Surat trade, whose long experience had instructed them in the impossibility of complying with the Security Bonds extorted from them, had, two years before, sent a fleet of seven ships, and eight hundred men, to overawe the Governor of Surat into a compliance with their request, to be free from this obligation, but had failed in obtaining what they held to be of indispensable necessity to the continuance of their trade; and, that the London Company's Bond having been extorted by force, was, therefore, invalid, by the Law of Nations, but if it had been recognized by the Ambassador, it would have become a public obligation, which it would have been impossible, on any future occasion, to evade or cancel. For these reasons, he deemed it necessary to offer the Mogul a lack of rupees, conceiving the payment of this sum, to be preferable to the incalculable expences which would have been incurred, by accepting the Phirmaunds clogged with this ruinous condition. He, finally, prayed the Court, to disregard the

accusations

accusations which had been brought against Mr. Mill, whose memory, as well as his own, he trusted would not be tarnished by the slender evidence of two Natives against him; and concluded by recommending all the persons employed in the Embassy, to their favorable opinion and protection.

CHAP. III. 1701-2.

In this manner terminated the second English Embassy to the Mogul, which, unlike the first, (or that of Sir Thomas Roe, in the reign of James I., which had one general object, or the establishing commercial relations between Hindostan and England) had in view only, the subversion of the trade of the London Company, after it had existed for above a century, and establishing, on its ruins, the trade of a new, and unknown mercantile Association; distinctions, as unwise and impolitic in England, as they were unintelligible and disastrous in India. (1)

(1)—Letters from Sir William Norris to the Presidency of Surat, 7th, 24th, and 25th April, 15th May, 28th October, 4th, 11th, 14th, 25th, and 28th November, 2d, and 30th December 1701; 7th January, 8th and 16th February 1701-2.—— Order of Procession at the Ambassador's audience of the Emperor, 28th April 1701, No. 5868.—— Letters from Sir Nicholas Waite and Council at Surat to Sir William Norris, 5th and 9th April, 5th, 9th, 16th, 22d, 23d, and 27th May, 1st June, 18th, 19th, 21st, and 30th August, 2d, 8th, and 16th September, 19th and 27th November, 1st, 13th, and 27th December 1701, 7th January, and 4th February 1701-2.—— Letter from Sir William Norris to the Presidency of Masulipatam, 12th June 1701.—— Letters from the Presidency of Masulipatam, to Sir William Norris, 25th April, 12th May, 14th July, 18th, and 25th August, 5th December 1701, 18th January, 4th, and 20th March 1701-2.—— Letters from Sir William Norris to the Presidency of Hughly, 14th August, 3d September 1701. —— Letters from the Presidency of Hughly to the Court, 22d April, 8th and 19th May 1701.—— Letter from Mr. Mill, Secretary to Sir William Norris, to the Court, 15th January 1701-2.—— Letter from Mr. Harlewyn, Treasurer to the Embassy, to the Court, dated St. Helena, 31st October 1702.

CHAP. III.
1701-2.
Intemperate report of Sir Nicholas Waite, on the failure of the Embassy.

It is painful, after reciting these melancholy events, to have to describe the intemperate opinions of the different Presidencies, conveyed to the Court, both at the time when Sir William Norris left Surat, and subsequently to that event; but, as those opinions are the grounds, in a great degree, upon which their commercial efforts proceeded, they require to be stated, to fill up the Annals of this season.

In the review of the Embassy, it has already been observed, that differences of opinion prevailed between the Ambassador and Sir Nicholas Waite, from his first outset from Surat to Court, and, more particularly, on his return and embarkation;—this difference is marked, not only in Sir Nicholas Waite's letters to Sir William Norris, but in his dispatches to the Court.

In the month of November 1701, when the Governor of Surat received the Mogul's orders to seize on the London Company's property and servants, and when Mr. Blower, Mr. Somaster, and Mr. Robinson, were imprisoned, and Sir John Gayer escaped to the Factory, and took arms for his defence, and when the Dutch were ordered to make satisfaction for the losses by the piracies, which they refused, Sir Nicholas Waite kept at a distance from these oppressions, and endeavoured to prepossess Sir William Norris with the opinion, that the circumstances of the London Company were foreign to his mission:—it has, also, appeared, that Sir William Norris considered this event, as one which ultimately might affect the situation of the English Company's servants, should he not prevail in obtaining the Phirmaunds.

This

This difference of opinion, on a general point, as soon as Sir Nicholas Waite heard of the Ambassador having left the Mogul's Court, changed into an open accusation of the imprudence of his conduct, as his passports were signed by an inferior officer; an accusation which, in the general letter to the Court, from Surat, he strengthened, by a charge of disrespect to the Vizier, at Brampore, and to the Mogul's officers, at the camp, and inferred, that the Ambassador had brought disgrace on the King and Company, by becoming a prisoner, after the Embassy had already cost £80,000, but promised to endeavour to obtain the Phirmaunds, through the means of the broker, without the condition of Security-Bonds.

CHAP. III. 1701-2.

Sir Nicholas Waite next accused Mr. Mill, the Ambassador's private Secretary, of a secret connexion with the emissaries of the London Company, and gave it as his opinion, that the failure of the Embassy had been occasioned, not more by the absurdity of the Ambassador's insisting on European ceremonies, than by his Secretary's breach of duty. This report concluded with stating, that Sir William Norris had received ample supplies to defray his charges, and was accompanied with the following account of the money which had been furnished to him, *viz.* by Surat, 364,000 rupees; by Masulipatam, 206,000; by Bengal, 20,800; to which was to be added the expence of presents, estimated at 86,000 rupees:—It thus appears, that the English Company had expended on the Embassy, the very large amount of 676,800 rupees, and that the Phirmaunds still remained to be purchased.

Sir

CHAP. III.
1701-2.

Sir Nicholas Waite next stated to the Court, that he had obtained, for the investment, indigo and cloth to the amount of two lacks of rupees, but on account of the Mogul's orders against the London Company and the Dutch, and the stop on trade, that the goods remained in the warehouses, and could not be shipped for Europe;—that he had made every commercial exertion, considering his small stock, and the heavy charges to which he had been exposed, and that the Europe goods which had been sent to him were of bad quality, and ill-assorted;—besides, if commanders of ships should be permitted to bring out, on their own account, large stocks, in money and goods, or should have the tonnage which was allowed them, enlarged, it would, in future, be impracticable to purchase an investment. From these circumstances, he submitted, that a large assortment of broad-cloth, iron guns, anchors, lead, sword-blades, cutlery, looking-glass, and glass-ware, should come on the ships of the ensuing season; but, in the event of an Union of the two Companies taking place, and, of course, only one concern, the proportion of Europe goods must necessarily be doubled: in this event, also, he submitted, that it would be expedient to form Factories at Scindy and Bussorah, but, by no means, to establish one, either at Mocha, or on the African Coast, as it would be more safe to have a ship, of about three hundred tons, occasionally trading between those ports and Surat, than

than to depend on Factories, exposed to hazard from the character of the Natives.(1)

CHAP. III. 1701-2.

Report of Consul Pitt on the same subject, and on the Company's trade on the Coromandel Coast.

Though reference has been made, in the account of the Embassy, to the opinions of Consul Pitt and his Council at MASULIPATAM, on the improvident measures of the Ambassador, in relinquishing the principal object of his mission, by insisting on European ceremonials being allowed to his rank, in a Court in which they were not understood, there does not occur, in the communications of this Presidency to the Court, the same animosity, on this occasion, as at Surat:—it is mentioned, only, that in June 1701, Consul Pitt had supplied the Ambassador with fifty thousand rupees, though the expences of exchange had amounted to twenty per cent., and that he had been obliged to take goods from the ship Streatham, consigned to Bengal, to enable him to purchase the investment for Europe.

The countries on the Coromandel Coast, from which the goods were procured, Consul Pitt described, as exposed to constant depredations, by the contending armies of the Mogul and Hindoo Chiefs, particularly after the orders arrived, for obliging the London Company to comply with the Security-Bonds extorted at Surat; Madras had been blockaded by Doud

(1)—Letters (general) from the President and Council at Surat to the Court, 1st May, 27th October, 1st November, 5th, 8th, and 31st December 1701, 26th January, 23d February, 5th March 1701-2, 2d and 5th May 1702.—— Correspondence between Sir William Norris and Sir Nicholas Waite, above referred to.—— Letter from the Presidency of Surat to the Presidency of Masulipatam, 13th October 1701.—— Letters from the Presidency of Surat to the Presidency of Hughly, 29th April, and 23d June 1701.

CHAP. III. 1701-2. Doud Khan, who had orders to demolish it, and make the London Company's servants, prisoners, their Factories had been withdrawn from Masulipatam and Madapollam, and the Dutch trade stopped at Golcondah, an order having been issued to them, to remove from their forts.

Though the English Company's servants had been allowed to carry on their trade without interruption, they were constantly exposed to heavy charges, by the frequent removal of the Mogul's Governors and officers, and obliged to make presents to each of them, particularly to "Rustandal Khan," the new Governor of Masulipatam; but dusticks, or passes, for free trade had been procured:—as a security, however, they had finished a strong house at Madapollam, and erected a wall round it, where they were making preparations for building a mint, and two large warehouses; but, hitherto, they had not been able to engage in their civil service, any of the London Company's people, and therefore required a supply from England, and an officer and a few soldiers, for the protection of their houses at Masulipatam and Madapollam.

The only commercial information, this season, is, that, to complete the investment, the Consul and Council had been obliged to borrow ten thousand pagodas, at ten per cent., and had dispatched the Streatham to Europe, with an investment estimated at 619,900 rupees.(1)

Though

(1)—Letters (general) from Consul Pitt and Council at Masulipatam to the Court, 5th October 1701, 20th February 1701-2.—— Letters from the Presidency of Masulipatam to the

CHAP. III. 1701-2. Report of Sir Edward Littleton on the same subject, and on the trade in Bengal.

Though Sir Edward Littleton and his Council, at HUGHLY, blamed the conduct of Sir William Norris, as imprudent and expensive, they did not (notwithstanding the inconvenience to which the advances they had made him exposed the Company's credit and trade,) consider the failure of the Embassy, to be disastrous to their particular Settlement, till the order came from the Mogul, for seizing the property and servants of the London Company:—this order was so far carried into effect, that the London Company's servants, and those of the Dutch, had been seized at Patna; a violence which had alarmed the Europeans, in general, as the London Company's servants, the Dutch, and the French, were preparing to resist:—Hughly, also, was threatened, and, contrary to the practice at Surat, the English Company's servants, as they described it, "for fear "of the worst," were preparing to assist in the defence of those of the London Company.

Comparing the situation of the two Companies, at this time, Sir Edward Littleton described the servants of the London Company as asserting, in contradiction to his authority, "that their Charter was as good as ever,"—that they had plenty of men and arms, while the English Company had neither the one, nor the other; and that he had it not in his power to maintain his rights, by any other means than by protests; —that besides this evil, the commanders of the English Company's

the President of Surat, 22d May, 13th June, 14th July 1701, 14th January, 2d and 20th March 1701-2.—— Letter from the Presidency of Masulipatam to the Presidency of Hughly, 14th July 1701.

CHAP. III. 1701-2.

Company's ships seemed to be more in the interest of the London Company, than in that of their employers; and that the high encouragement which the London Company afforded to pilots, beyond what he was authorized to do, gave to them a manifest superiority in the dispatch of their shipping. Under these hardships, Sir Edward Littleton purchased the renewal of the Prince's Nishân for trade, till a Phirmaund could be obtained; and as a new Duan was appointed, he would apply to him for a Perwannah for free trade, which would enable him to continue his efforts, should the Phirmaund not be granted: but he submitted, that an experiment should be made for opening a trade between Bengal and Acheen, for which an additional stock of £30,000 would be required.

The ship London, however, had been dispatched for England, with an investment estimated at 635,850 rupees, being the richest ship sent from Bengal, this season; and, subsequently, the ship Somers, with an investment estimated at six lacks of rupees. In the stock of next season, the Presidency requested that no farther supply of broad-cloth might be sent, as that which was on hand was not vendible.(1)

Failure of the projected establishment at Chusan in China.

If, in former years, the Company's Agents had obtained grants for CHUSAN, in CHINA, the prospect, in this season, of establishing a trade, however valuable, at the ports of that Empire, was disappearing, from the evasions of the Governor and his officers:—it, therefore, the Court, should be

(1)—Letters (general) from the Presidency of Hughly to the Court, 29th December 1701, 27th January and 3d February 1701-2.—— Letters from the Presidency of Bengal to the Presidency of Surat, 4th April 1701, and 7th March 1701-2.

be anticipating great profits from Chinese imports, or had sent out considerable equipments and stock, again to try the practicability of the trade, they would be disappointed in every thing, but voyages of experiment. From Chusan, a direct trade to Japan could not be attempted, because the Chinese would oppose every obstacle to it; and as a Settlement on PULO CONDORE had been projected, as a better method of forming an intercourse with China, by giving an independent power to the officer commanding at this Island to retaliate, in case of a seizure of the Company's property, or the persons of their servants, a similar experiment was, in this season, recommended, or the forming a Settlement at COREA, an intermediate station between China and Japan, which might become a depôt for the produce of both, and a place of safety, from which the trade might pass to India, or to Europe.

As the season advanced, the situation of the Company's servants at Chusan became perilous, an order having arrived from the Emperor, to quit that port, leaving them, only, as a last resource, to bribe the Governor, and his principal officers, for permission to remain, till the arrival of the next ships:—meantime, they dispatched the Sarah Galley, with a cargo for Europe, estimated at 87,100 tale.

In the East, it was thus found, that bribes afforded only a momentary security, for though the one referred to, had been given, the President and Council were ordered to quit Chusan, and so short a time allowed them, that a great quantity of the Company's stores was left as plunder to the Chinese.

CHAP. III. 1701-2.

From Chusan, the President and Council sailed to Batavia, where they arrived on the 9th March 1701-2, and obtained permission from the Governor to remain, till the arrival of ships from Bengal, or England.

Such was the result of the experiment of the English Company, for opening a trade at Chusan, and the circumstances under which the Court were placed, at the time when they were uncertain of the success, or failure, of the projected establishment at Pulo Condore (1)

(1)—Letters from President Catchpoole and Council at Chusan to the Court, 19th November 1701, and 1st February 1701-2,—— from Batavia, 13th March 1701-2.

1702-3.

LONDON COMPANY.

CHAP. III. 1702-3. Preliminary measures adopted by the two India Companies for completing the Union.

If the Annals of the preceding season furnished the basis, as well as the general terms, upon which the Union of the London and English Companies was settled, those of this season will exhibit the series of public Deeds, by which this most important event in Indian affairs was accomplished. The Agreement between the Committees of Seven, on the part of each Company, had, hitherto, only induced the General Courts of the two Companies to come to the resolution of uniting, and to enter into an obligation, that each should wind up their affairs, at home and abroad, by making exact accounts of their Dead Stock, that, at the expiration of seven years, the whole concern might proceed on one great Joint Stock; but the legal steps, required to give effect to this resolution, remained to be settled. We have now to trace and examine the Deeds, to which not only the London and the English Companies were parties, but the Queen, who was, by her authority, to render the Act of Union legal.

The measures for conducting the trade, at the opening of the season, required the fullest consideration of the Directors of both Companies; and that there might not be any ground

of

CHAP. III. 1702-3. of reciprocal complaint, it was, in the first instance, settled, that the equipments of the two Companies should remain under the management of their respective Directors. By a preliminary Deed, therefore, signed and sealed by the Managers for both Companies, and dated the 22d July 1702, it was agreed, that the London Company's ships, the Howland, Regard, and Gloucester, and the English Company's ships, the Mary and Katherine, and the Samuel and Anna, should continue for the separate account of their freighters.

The Indenture Tripartite, equalizing the stock of the two Companies, considered as the Charter of Union.

This ground being taken, an Indenture Tripartite, between the Queen and the two East-India Companies, dated the 22d July 1702, passed under the Great Seal of England, which, in the correspondence of the Court with their foreign Presidencies, they described, as their "CHARTER OF UNION." By this Deed it was settled, that the London Company should purchase as much of the stock of the English Company, at par, as would vest in each, an equal proportion of the £2,000,000, for the advance of which to Government, the Charter had been originally granted to the English Company. The interests of the London and English Companies, and Separate Traders, were, as follows :—

The London Company's Subscription	£315,000
English Company's Subscription	1,662,000
Separate Traders' Subscription..................	23,000
	£2,000,000

By

By this Agreement, the interests of the two Companies were fixed, as follows:—

Purchase of stock by the London Company £673,000, in addition to their former stock, making their share together	£988,500
English Company's Proportion	988,500
Separate Traders' Proportion	23,000
	£2,000,000

Trade to be carried on, for Seven Years, on the Charter of the English Company.

Having thus settled the mutual interests of the two Companies, as far as regarded their respective stocks, in such a manner as to render their proportions equal, it was, in explanation, decided, that, in future, the trade to India should be carried on, for Seven Years, on the two United Stocks, in the name of the English Company, as, thereby, the privileges granted by the Charters of both Companies, and the Act of Parliament, would be best preserved, but the London Company were to have an equal management of the trade.

Estimate of the value of the Dead Stock of the two Companies in India.

The principal difficulty of adjusting the respective interests of the two Companies, at home, being thus removed, estimates were made of the Dead Stock of both Companies, that is, forts, factories, buildings, &c., as distinguished from money, ships, or merchandize:—the Dead Stock of the London Company was valued at £330,000, and that of the English Company at £70,000; the English Company, therefore, were to pay £130,000 to the London Company, so as to make up 200,000, for their moiety of the whole Dead Stock, estimated at £400,000, and intended to

become

CHAP. III. 1702-3. become an additional stock on the Joint Account;—the London Company were to retain the use of their Dead Stock, at home, (that is their house and warehouses) during seven years, and, after that term, they were to go to the United Company:—During this period, also, each Company was to hold their distinct Courts, and might raise money, either for their respective shares of the United Trade, for their separate affairs, or for paying their separate debts; but all debts, contracted for the Joint Trade, were to be paid out of the United Company's stock:—each Company, forthwith, were to bring home their separate estates, and make dividends to their respective Proprietors, after which, neither Company were to send out ships, bullion, or goods, on their separate account.

A Court of *Twenty-Four Managers* was appointed, twelve to be chosen from each Company, for carrying on the trade, and to act according to such rules as might be settled by the General Courts of both Companies, empowered to make Bye-Laws for the United Trade:—each Company were to furnish an equal part of the stock for the United Trade, and to export one-tenth of their cargoes, in goods, of the growth, or manufacture, of England, but no transaction on the Joint Trade was to be adopted, without the concurrence of both Companies, the General Courts of which, and the Court of Managers, were to have the sole government of all their forts, factories, &c. in India, and to appoint Governors and officers, with powers to build forts, &c., and to raise, train, and muster a military

foree,

CHAP. III. 1702-3.

force, for defence of the same, and with authority to coin foreign money in India.

The Company, after the expiration of seven years, to assume the title of "The "United "Company "of Merchants of "England "trading to "the East-"Indies."

The London Company were to convey, with the Queen's licence, the Islands of Bombay and St. Helena to the English Company, and resign their Charters to the Queen, in two months after the expiration of the seven years, and thenceforward the Charter of the English Company (1698) was to be considered that of both, and the two East-India Companies were to take the name, in future, of "THE UNITED COMPANY OF MER-"CHANTS OF ENGLAND TRADING TO THE EAST-INDIES," whose affairs were to be conducted by their own Directors, agreeably to the Charter of the 10th of King William. (1)

Specification of Dead Stock of the two Companies, in the Indenture Quinque-Partite.

This Deed having settled the respective interests of the two Companies, at home, and having also ascertained the estimated value of their Dead Stock, at home and abroad, was followed, on the same day, by what was termed a *Quinque-Partite* Indenture of Conveyance of the Dead Stock of the two East-India Companies :—this Indenture was made between the London Company, of the First part; the English Company, of the Second part; Sir Jeremy Sambrooke, Trustee of the London Company's freehold warehouses in Great St Helen's, London, of the Third part; Sir Thomas Davall, and others, Trustees of the London Company's leasehold warehouses, in Great St. Helen's, of the Fourth part, and Sir James Bateman, and others, Trustees for the English Company, of the Fifth part:—the object of this Deed was to ascertain

(1)—Indenture Tripartite, between the Queen and the two Companies, dated 22d July 1702. (Printed Collection of Charters, page 243.)

CHAP. III. 1702-3. ascertain the Dead Stock of each Company, that it might pass to the United Company, at the termination of the seven years, in the manner specified in the Indenture Tripartite, above recited; and, besides its legal form, it is an interesting document, affording a view of the Settlements of both Companies, to which each had a complete right, which, subsequently, passed to the United East-India Company. By this Deed, the London Company agreed to transfer the Charters, by which they held the Islands of BOMBAY and ST. HELENA, to the English Company, in consideration of £200,000 credit in the United Trade, and the sum of £130,000 paid to them, in money, and also their rights to all their several Forts and Factories, within the limits of their Charter, in the East-Indies, of which the following is an enumeration, *viz.* the Factories depending on the Presidency of BOMBAY; or SURAT, SWALLY, BROACH, AHMEDABAD, AGRA, and LUCKNOW:—on the MALABAR COAST; the Forts and Factories of CARWAR, TELLICHERRY, ANJENGO, and CALICUT:—in PERSIA; the Factories of GOMBROON, SHIRAZ, and ISPAHAN, with the yearly rent of one thousand tomands, or £3,333. 6*s.* 8*d.*, paid by the Sophi of Persia, at Gombroon:—the Factories on the COAST OF COROMANDEL, GINGEE, and ORIXA, depending on the Presidency of FORT ST. GEORGE; or FORT ST. GEORGE, and the City of MADRAS, FORT ST. DAVID, CUDDALORE, PORTO NOVO, PETTIPOLEE, MASULIPATAM, MADAPOLLAM, and VIZAGAPATAM, and, connected with them, the Settlements on the Island of SUMATRA; or YORK FORT, BENCOOLEN, INDRAPORE, TRYAMONG, SILLEBAR, and the stations dependent

dependent on Bencoolen; and also the Factory of TONQUIN, in COCHIN CHINA:—the Factories dependent on the Presidency of FORT WILLIAM; or FORT WILLIAM, CHUTANUTTEE, BALLASORE, COSSIMBUZAR, DACCA, HUGHLY, MALDA, RAJAHMAHL, and PATNA, with all their claims or title to BANTAM, or any other Settlements they might have had, in the SOUTHERN SEAS, and all the stores and ammunition belonging to the said Forts or Factories, respectively, and comprehending all the rents and customs arising from those Settlements, and all the grants, or Phirmaunds, by which the same were sold to them:—this transfer, also, included their warehouses in LONDON, and their house in LEADENHALL-STREET.

The English Company, on the other hand, declared to the LondonC ompany, that the following Settlements constituted their Dead Stock, for which they were to be allowed £70,000 in the United Stock, *viz.* the Factories at SURAT, in the BAY OF BENGAL, at MASULIPATAM, MADAPOLLAM, on the Island of BORNEO, and on the Island of PULO CONDORE, with the stores and ammunition belonging to each, and all of them; and it was, in explanation, mutually covenanted, that both Companies should enjoy the respective profits, and pay the respective charges, of all their Settlements, to the date of this Deed, or the 22d July 1702.(1)

The general recommendation of the Court of Committees, of adopting conciliatory measures, with respect to the servants of the

 English

(1)—Indenture Quinque-Partite, of Conveyance of the Dead Stock of the Two East-India Companies, dated 22d July 1702. (Printed Collection of Charters, page 316.)

CHAP. III 1702-3. English Company, was the only practicable measure which could have been adopted, previously to the settlement which the preceding Deeds had rendered legal; but when the Deeds, themselves, assumed this aspect, and when opposition, at home, between the Directors of the two Companies, would have been illegal, it was settled, that, for a time, a separate jurisdiction should be exercised over their foreign servants, that each might wind up their affairs, and bring the whole, as one common concern, under the Court of Managers.

We shall, however, soon discover, that it was easier, notwithstanding the remaining jealousies and opposed interests, to prescribe general rules, and even to observe them, at home, than it was for their servants, abroad, to depart, at once, from an opposition of interests, which had wrought itself up into animosity, and, in some instances, to revenge.

General instructions of the London Company to their foreign Settlements, on the completion of the Union.

The general principle, at home, was to proceed on the estimates which had been made of the Dead Stocks, to narrow in the separate commercial adventures, but to keep the accounts of them distinct, to the 22d July 1702; and as this order could not reach India, in time to accomodate practice to this principle, the only general order which could be given was, that, subsequently to that date, their Presidencies were to observe, that all trade was to proceed on the General Stock, and to be directed by the orders of the Court of Managers, except such property as was already contracted for, or afloat, and which, therefore, must be paid for, on the Separate Accounts; this order was, in the first instance, directed to be the rule of

of proceeding at SURAT, at BOMBAY, and at their dependencies, and also, in PERSIA, as far as the English Company had interfered with the trade or rights of the London Company.

CHAP. III. 1702-3.

Aware of the risks and dangers to which trade had been exposed, by the compensations required for the depredations committed on the Mogul's subjects, by the pirates, the Court of Managers applied to the Queen, to have two men of war sent to India, for their final suppression. This request was acceded to, and the Severn and Scarborough men of war equipped for that service, and Captain Richards (who had been in the service of the London Company) appointed Commodore:—His instructions from the Admiralty were, to go to Madagascar, and the Island of St. Mary's, thence to Attongal Bay, Assada Bay, Mohelia, and Johanna, thence to Mocha, and to convoy the Mocha fleet to Surat, where he was to consult with the General what was to be done farther, for suppressing the pirates. One of the ships was to cruise between Calicut, and Dunderee Point, in Ceylon, till February 1702-3, and the other, in the Straits of Malacca, to meet the homeward-bound China ships, and convoy them to the Coast and Surat, and thence return, by Madagascar, to England.

Two men of war sent to India to suppress the pirates.

The Court hoped, that this measure would counteract the misrepresentations to the Mogul Government, which Sir Nicholas Waite had so improperly made, that the London Company had been secretly connected with the pirates, and would enable Sir John Gayer, and President Colt, to settle their accounts with their

CHAP. III. 1702-3. their brokers, in such a manner as to wind up the London Company's separate affairs, and to recover from the Mogul Government, the large amounts which had been paid, as compensations for the losses which the Native Merchants had sustained. The application for these sums was to proceed on the instructions which the commanders of the King's ships had received, to convoy the Mocha ships to Surat, in safety:—To preclude all pretexts to superior authority by Sir Nicholas Waite, the Court intimated to Sir John Gayer, that as the Consular powers had already been withdrawn from Sir Edward Littleton, and Mr. John Pitt, they had applied, and would insist, that Sir Nicholas Waite should be deprived of this authority.

Separate instructions to Sir John Gayer and President Colt, on the Union.

By the preliminary Deed to the two Indentures, the equipments of the two Companies, for this season, had been settled, and, of course, the stock of each, intimated to their respective Presidencies:—each, also, received orders to communicate the event of the Union to the other; and it was enjoined to both, to lay aside all opposition, and to forward the reciprocal views of the two Companies, for lowering the prices of Indian commodities, and disposing, without rivalship, of the Europe goods remaining in the warehouses.

The Court, however, were satisfied, that this information, and these instructions, might occasion apprehensions in the minds of the General, and President and Council, at Surat, that, by the Union, their powers and emoluments would be affected, and, consequently, their motives for exertion, in executing the orders for conciliation and for mutual commercial aid, be weakened; as an

an encouragement, therefore, the Court gave assurances, that notwithstanding the agreement between the two Companies, their General, President, Council, and servants, were to hold their situations and allowances, till next year's investments; after which they would employ their utmost influence with the Court of Managers, that the ranks of the servants of the London Company should be confirmed to them; and, therefore, trusted that they would continue to exert themselves, with the same activity and probity which they had hitherto done, with the fullest approbation, and that their future situations would be such as would enable them to serve the Company, under the advantages which must result from undivided authority and influence. (1)

Similar information, instructions, and promises of protection, were given to the Agents, Councils, and servants in PERSIA. (2)

General instructions to President Pitt at Fort St. George.

There could not, from the progress and completion of the Union, beyond the communication of these events, occur any, but local instructions to the President and Council at FORT ST. GEORGE, with a repetition of the Court's assurances to President Pitt and their servants, that they would use their utmost influence with the Court of Managers, to continue them in their rank and emoluments, after the 22d July, when the whole business would

(1)—Letters from the Court of Directors of the London Company to the General, President and Council at Bombay and Surat, 26th July, 4th August 1702, 23d March 1702-3, and 27th March 1703.

(2)—Letters from the Court of Directors of the London Company to the Agents and Councils in Persia, 4th August 1702.

CHAP. III. 1702-3. would come under the administration of that Court:—There is, however, a peculiarity in the orders, for taking an inventory of the Dead Stock of the two Companies, which could not enter into the orders to Surat, at which neither Company had any thing but a Factory, or house of trade;—at Fort St. George, the London Company had distinct and fortified stations, which were to be made over to the English Company, the value of which had been estimated in the Deed of Union, and, of course, it became prudent, in point of form, that the foundations of this estimate might be ascertained, to the general satisfaction of the Proprietors of both Stocks; it was, therefore, recommended, that the President and Council of the English Company should, on receiving the dispatches, repair to Madras, and be present at taking the inventory of the stock and effects of the London Company, and that one of the Members of Council, of the London Company, should accompany them back to Masulipatam and Madapollam, and be present when the inventory of the English Company's stock and effects should be made up. It was the general wish of both Companies, that the progress of the Union might not be prolonged for the term of seven years, but accomplished, as soon as might be practicable; President Pitt was, therefore, instructed to bring in, and adjust all accounts, and obtain payment of all outstanding debts, without delay; it being explained, that, subsequently to the 22d July, all the servants of the London Company, who might be taken into the service of the Court of Managers, were, from

from that day, to be paid by them; but, that no person was to be employed, who should not previously clear his accounts, and punctually discharge his duty; and any person who might not be entertained in the United Service, was to have permission to remain in India, as a Free Merchant. It was, also, explained, that the revenues of Madras, Fort St. David, &c., were to be applied, after that day, to the United Trade, after which the military and garrison charges, and those of the shipping, were, also, to go to the United Trade; but, all arrears of revenue, up to that day, were to remain the property of the London Company:—in the first instance, however, all goods, not included under the Dead Stock, were to be turned into money, without delay, and invested in Coast goods, on the London Company's separate account.

At the close of this season, it appears, that such was the impression of President Thomas Pitt's merit, that the Court of Managers unanimously appointed him to be President and Governor of Fort St. George, in consideration of the opposition which he had given, while it was his duty, to the English Company, and of his having (notwithstanding his relationship to Consul John Pitt) proved himself superior to every motive, but a sense of character; but, they explained to him, that they had been obliged to consent, for reasons of policy, that Mr. John Pitt should be appointed Governor of Fort St. David, with an independent power in civil and military affairs, and, eventually, to succeed to the government of Fort St. George, but to be

CHAP. III. 1702-3.

subordinate to him, and his Council, in all matters regarding trade and investments. (1)

Instructions for Bencoolen, now declared independent of Fort St. George.

From the period at which the London Company had been excluded, by the Dutch, from Bantam, and the pepper trade on the Island of Java, it has appeared, that they directed their attention to obtain, from the Island of Sumatra, this staple of Indian produce, and that they had fixed a station at BENCOOLEN, and expended large sums in forming this Settlement;—it has also appeared, that the English Company, excluded from Java, and from Sumatra, were convinced of the importance of obtaining pepper, and had attempted to draw it from an establishment on Borneo, and to connect that station with their speculations in the Indian and China trade;—there could exist, therefore, no difficulty in transferring Bencoolen, and its dependencies, from the London to the United Company, as the English Company had neither trade nor claims on it:—after, therefore, intimating to their Agent and Council at Bencoolen, the event of the Union, and that the servants of the London Company were continued in their stations, by the Court of Managers, they informed them, that, for the future, the Factory at Bencoolen was to be independent of Fort St. George;—meantime, they were to take an exact account of the pepper on hand, which was to be disposed of, and the proceeds carried to the London Company's account.

As

(1)—Letters from the Court to the President and Council of Fort St. George, 4th August 1702, 5th, 19th, and 23d March 1702-3.—— Letter from the Court to President Pitt (private) 10th March 1702.

CHAP. III. 1702-3.

As a separate instruction, the Agent at Bencoolen was to encourage the Malays to cultivate white pepper; but, as the growth of cotton had abridged the pepper plantations, no farther aid was to be given to the cultivators of cotton:—in general, he was to conciliate the Native Chiefs, as much as possible, and to direct his attention to the acquiring a knowledge of the methods employed by the Dutch, in the growth of pepper:—To lessen the charges, a common table was to be kept, for all their civil servants, instead of paying them board-wages.(1)

Instructions for the Presidency of Bengal.

The Court, in their dispatches to the Presidency of BENGAL, recited the event of the Union, in the same terms as transmitted to Bombay and Fort St. George, and with corresponding directions respecting their Dead Stock, that it might pass, after the 22d July 1702, to the United Company, which, after that date, were to defray all charges:—for this reason, similar orders were issued, for winding up their affairs, and bringing the Quick Stock, after payment of their debts, to the account of the London Company, and vesting the proceeds, this season, in such goods as did not make a part of the English, or United Company's cargoes; the remainder to be applied to the purchase of raw-silks, cotton-yarn, fine muslins, and, particularly, saltpetre.

From the change of circumstances in England, and the termination of all motives to obtain new privileges, presents to.

3 S 2

(1)—Letters from the Court of Directors of the London Company to the Agent and Council at Bencoolen, 30th July, 4th August 1702, and 26th February 1702-3.

CHAP. III. 1702-3. to the Native Princes, or Governors, were to be avoided, till after the 22d July 1702, because, whatever might be necessary, after that date, was to be paid by the United Stock; to which, also, were to be assigned the revenues and garrison charges, which were to be settled by the London Company, to that day. In this transfer, care was to be taken, by the servants of both Companies, to keep the amount of the revenues secret, as, otherwise, it would have the effect of encouraging the Native Governors to make new and heavy exactions.

The Court, in the first part of their correspondence, this season, after expressing their approbation of the conduct of President Beard and their servants, promised to employ their influence to have their rank and emoluments confirmed; but, it appears, that the Court of Managers were equally divided on this subject, and that the only expedient which could be devised, was, to defer the appointment of a President for one year, and to order the business of the United Trade to be carried on by a Committee, composed of the four Senior Members of the Councils of both Companies, of which the first Member of each (Mr. Halsey and Mr. Hedges) was to be the alternate weekly President; but, that all due respect should be paid to Mr. Beard and Sir Edward Littleton (no longer vested with Consular authority) who were, during this year, to direct their attention to wind up the separate affairs of each Company:—the residence of the Council of both Companies was to be, in future, at CALCUTTA, as being a place of greater security than Hughly, and under the protection of Fort William:—this resolution, regarding the administration

administration of their affairs, the Court explained to have proceeded from the English Company having declared, that the greater part of their investments would, for the future, be in Bengal goods.(1)

CHAP. III. 1702-3.

Instructions for the Governor of St. Helena.

By the Deed of Union, the Island of St. Helena had been transferred to the United Company, though it had not been open to the English Company, except in the preceding year, when recommendations of civility to the commanders of their vessels, were given to the Governor; and, in this season, it only occurs, that Governor Poirier, and his Council, were continued by the United Company in their respective stations, with an instruction, in future, to avoid all disputes, to discharge their duties with unanimity, and, in particular, to make up an exact inventory of every thing belonging to the London Company, under the head of Dead Stock, and to adjust all accounts and charges, previously to the 22d July 1702, as, from that day, all expences were to be borne by the United Stock.(2)

Embarrassed situation of the General at Bombay,

The circumstances of the London Company's Settlements, connected with Bombay, continued to be embarrassing, from the prospect

(1)—Letters from the Court of Directors to the President and Council in Bengal, 4th August 1702, and 26th February 1702-3.

(2)—Letters from the Court of Directors to the Governor and Council of the Island of St. Helena, 4th August 1702, and 26th February 1702-3.

CHAP. III.
1702-3.
and the President at Surat, from the breaking out of the plague, and the appearance of a civil war.

prospect of a civil war in the Mogul Empire, on the death of Aurungzebe:—that Emperor was, however, still able to keep the field, and his armies were continually engaged against the Hindoo Chiefs, who were preparing for action, as soon as the war for the Succession should become the signal for revolt, that they might re-assert their independence, or repel the forces of any of the powers who might be employed on the confines of their dominions. This public uncertainty exposed the Europeans to constant alarm, by the reports which daily were spread, of the Emperor's sickness and death.

Bombay, the asylum of the London Company's servants and trade, was, from the preceding causes, constantly menaced with invasion, by the Siddee and the Mahrattas; and the Governor had been obliged to enlist an additional number of Topasses, to strengthen the Garrison, and to procure seamen from the Company's ships, to man the little fleet he had to oppose to either:—the safety of the Island, however, was threatened, not only by the Indian Powers, but by the Portuguese, who were obstructing the transport of provisions required by the garrison and inhabitants, and giving secret assistance to the Mahrattas, at the very time, when the Mogul's army had taken several of the Hindoo castles, and were besieging "Singarr," within five days' march of Bombay. As if these difficulties had not been sufficient to create alarm, the plague broke out in the Island, carried off some hundreds of the Natives, and reduced the Europeans to the small number of seventy-six men:—this calamity was followed by a storm, which destroyed the produce

produce of the Island, and wrecked the greatest part of the shipping by which it was protected.

CHAP. III. 1702-3.

While Bombay was in this state of insecurity, Sir John Gayer and President Colt, though relieved from actual imprisonment, were watched by the Governor of Surat, and the embargo continued; trade, therefore, was dull, even to the French and Dutch Companies, and the only means of obtaining an investment for the Company's ships, was by bribes to the Native Officers to allow partial purchases, the payments for which became difficult, from the Shroffs having, by their influence, been able to prevent the coinage in the mint, though permission, to this effect, had frequently been promised by the Governor.

Such was the situation of affairs, when the first accounts arrived of the Union of the two Companies:—Sir Nicholas Waite intimated this event, in a formal manner, to Sir John Gayer, and he, with equal formality, notified it to the Consul, each professing readiness to adopt measures for mutual interest, in obedience to orders, but neither reposing confidence in the professions of the other.(1)

President Pitt's favorable report on the state of trade on the Coromandel Coast.

The garrisons of Fort St. George, and Fort St. David, continued nearly under the same circumstances with those described in the preceding year:—by the active and spirited measures

(1)—Letters from the General, President, and Council at Bombay and Surat to the Court, 5th and 13th May, 1st December 1702, 19th January, 9th and 24th February 1702-3.—— Correspondence between Sir John Gayer and Sir Nicholas Waite, 5th and 7th December 1702.

CHAP. III. 1702-3. sures of President Pitt, the Native Powers were kept at a distance; but, at the same time, he gave a more favorable account of the internal situation of the Settlements, and of the investment, than could have been expected. The means of defence at Madras, he described to have been sufficient, for though threatened with an attack, and provisions stopped from coming into the place, the supplies by sea afforded him the necessary stores; but he requested recruits for the garrison, and permission to raise a troop of sixty horse, to act as convoys, and to repel the incursions of the country cavalry; and, also, military stores, particularly mortars, as the throwing of shells among the Native troops, had produced the greatest terror among them. At Fort St. David, it had become expedient, from the importance of Cuddalore, in its vicinity, as a commercial station, and an asylum to the rich traders, not only to erect a new Factory, but to protect the place by fortifications, the charges for which would be covered by the increase of the revenues, the ground-rent of Fort St. David having been farmed out, this year, for 2,805 pagodas, and the tobacco and beetle-nut taxes for 2,756 pagodas. To this account of the internal resources of the Settlements, is subjoined that of the investment, which he estimated at ninety thousand pagodas; and he had contracted with the merchants, for the investment of the following season, to the amount of one lack, and added, that the experiment of raising silk-worms had been successful, and, in the course of a few years, might yield silk, in quality, equal to that of Bengal.

Such

CHAP. III. 1702-3. —His memorable conduct, on receiving intelligence of the Union of the two Companies.

Such were the circumstances of this Presidency, when the first accounts of the Union of the two Companies in England, were received, from some of the Crew of the English Company's ship, Norris, who had been saved from the wreck of that vessel, when she blew up, in Masulipatam Roads, on the 2d August 1702; President Pitt, on this occasion, after assuring his immediate superiors, the London Company, that he would observe their orders, for adopting conciliatory measures, to render the Union effectual, addressed a letter to the Directors of the English Company, which, after deploring the death of King William, and congratulating them on the accession of Queen Anne, proclaimed at Fort St. David, on the 24th September 1702, concluded in the following loyal and memorable terms:—

" My gratitude, as an Englishman, obliges me to pay all " deference to the blessed memory of King William, and to " remember that great saying of his, to the French King's " Plenipotentiary, at Ryswick, upon concluding the peace, " *t'was my fate, and nott my choice, that made mee your* " *enemy;* and since you, and my masters, are united, itt shall " be my utmost endeavor to purchase your good opinion, and " deserve your friendship." (1)

The

(1)—Letters from President Thomas Pitt and Council at Fort St. George to the President and Council at Surat, 4th September 1702.—— Letters from the Governor and Council of Fort St. David to the Court, 4th October 1702, and 8th February 1702-3. —— Letter (private) from President Pitt to the Directors of the English Company, 3d October 1702.

CHAP. III.

1702-3.

The Mogul orders all trade to be stopped in Bengal, and the Company's servants seized, till compensation should be made for the depredations of the pirates.

The situation of the trade in BENGAL, at the conclusion of the preceding year, was favourable, from the order of the Mogul, for stopping trade, not having reached that part of his dominions; but this respite was of short duration, for, as early as the month of February 1701-2, the Company's servants and effects were seized at Patna and Rajahmahl, to make good the damages done by the pirates. The loss, (from the Company's servants at those stations having previously taken bills on Calcutta,) amounted only to 1,800 rupees; but their sufferings, personally, were great, having been confined fifty-one days in the public gaol, and still kept prisoners at large. On the 30th March 1702, the order was extended to all the European Factories, and the loss of the English Company, on this occasion, amounted to sixty-two thousand rupees. In this month, also, the Phousdar of Hughly issued an order to seize all the Company's effects at Calcutta, which obliged President Beard to take measures for acting on the defensive, by mounting additional guns, and drafting from the ships, eight or ten gunners to work them, so as to make up the garrison to one hundred and twenty men:—this appearance of resistance deterred the Phousdar from an attack, and matters remained in this situation, till the month of June, when the Prince gave assurances of his favour, though the Duan insisted to have the Mogul's orders executed.

Towards the end of the season, a present was given to the Phousdar of Hughly, of five thousand rupees, to allow the transit of the Company's goods; but this bribe only incited him to make

farther

farther demands, and it was not till President Beard stopped all the Mogul ships, going to Surat and Persia, for nine days, that the fear of offending the Emperor induced the Phousdar to allow the Company's goods to pass from Hughly to Calcutta.

CHAP III. 1702-3.

At the close of the season, advices were received, that the Mogul had issued a "Husbul-hookum," for taking off the embargo on trade, but, on opening the warehouses at Patna, the Agent found the goods had been removed:—on this occasion, the Duan, who hitherto had been positive for having the orders of the Mogul executed, relaxed in his severity, and offered freedom of trade, provided the two English Companies, the French and the Dutch, would give the Prince a present of twenty thousand rupees each;—this, President Beard, for the London Company, refused, and rested his refusal on the grants which they had obtained from the Mogul.

President Beard's comparative statement of the rights and trade of the two Companies in Bengal.

This view of the situation of the London Company, prepares us to understand the motives which influenced President Beard's conduct, on receiving information of the Union of the two Companies, in England. After stating that he had opened a conference with Sir Edward Littleton, in which, though with much coolness, assurances were given of mutual good offices, he instituted a comparison of the situation of the two Companies, in respect of rights and trade:—the London Company, he stated, were exempt from customs, but the English Company were under Security-Bonds to pay them, and under worse circumstances than the Interlopers, as they purchased their goods in the names of Native merchants, and were to pay

 three

CHAP. III. 1702-3. three thousand rupees for each ship, on their being laden for England:—the London Company, he added, had the power of issuing "dusticks," but could not allow the English Company to avail themselves of them, without involving themselves in all those disputes with the Native officers, to which the trade of the English Company had been liable;—the English Company not having obtained a Phirmaund, and being liable to pay three years' customs, it would be difficult, if not impracticable, to adjust those debts, till he should receive instructions from England, whether the English Company's, or the United Stock, were to be charged with them:—this comparison he concluded, with observing to the Court, that the effect of establishing the English Company had been, "to bring disgrace on the English name," and that there would be an absolute necessity for the United Company to employ force, not only to retaliate the indignities which the English Nation had experienced, but to compel the Natives to fulfil the engagements into which they had entered, "force, and a strong fortification, being better than "an Ambassador."

If this, however, should not be the opinion of the Court of Managers, President Beard recommended, that measures should be adopted, at home, to induce the European Nations to withdraw from the trade for one year, which would so considerably reduce the Mogul's revenues, that an invitation to renew the trade, on fair terms, would be the probable result.

After congratulating the Court, upon the advantageous terms on which the Union had been settled, President Beard and his Council

Council explained, that the stock which had arrived, would do little more than clear the debt, and furnish the ships of the season with full investments for Europe, but he hoped, with the addition of six thousand rupees only, to complete the investment of the Wentworth, adding, that his resources had been less than those, either of the Dutch, or of the English Company, who, having received Double Stocks, had paid off their debts:—if, then, two buyers of goods were to remain in India, the Court must consider that double charges would be incurred, and the profits lessened, by the competition and the expences attending it:—in one view, he considered the circumstances of the London, to be preferable to those of the English Company; —the former, from their experience in the trade, had few, if any, bad debts; the latter had, in Hughly only, bad debts estimated at seventy thousand rupees:—in future, it would not be expedient for the United Company, on any occasion, to trust the Native brokers, and their President should be prohibited from employing them at the Durbars, experience having shewn, that they were uniformly more disposed to meet the views of the Native officers, than to consult the interest of their European employers. (1)

Mr. Roberts's report on the China trade.

In the season 1700-1, and while the Union was rather anticipated than completed, the Court had determined to meet the English Company in the CHINA market, probably to prevent any

(1)—Letters from the President and Council at Fort William to the Court, 15th August, 12th, 15th, and 24th December 1702, 6th January, 11th and 17th February 1702-3.

CHAP. III. 1702-3. any impression on the public, that they had neglected to push their trade into every country, within their limits, and to add to their profits, by the sale of China goods in India, and of India goods in China, as a new resource for the home investments.

Mr. Roberts, one of their Committees, had been appointed Supercargo of one of the ships, and (on the return of the vessel from China to the Coast) to be Governor of Fort St. David, and to take place, in Council, next to President Pitt; and large equipments and stock had been sent to China on this speculation. In the year we are reviewing, information had been received from Mr. Roberts, that, on his arrival at Amoy, in February 1701-2, he had experienced much difficulty from the market being glutted with Europe goods, in disposing of his cargo, but had sold the whole to a great Chinese merchant, named Anqua, and was to receive, in return, three thousand five hundred chests of copper, twenty thousand pounds of Cabessa raw-silk, three hundred peculs of Tywan sugar, three hundred peculs of sugar-candy, and nine thousand ounces of gold;—that this merchant had informed him, the Emperor was willing to grant to the English "the Island of Coltemshaw," half a mile from Amoy, to form a settlement, (which Mr. Roberts was of opinion would be less expensive than the charges of commission, &c. to Supercargoes,) and intended to send him, as his Ambassador, to England;—that the English Company had formed a Settlement at Chusan, situated a hundred leagues north of Amoy, but not advantageous for commerce, and that

that they were to pay, besides customs and duties, twenty thousand tale per annum, for liberty of trade.

Mr. Roberts, however, soon discovered, that Anqua, so far from fulfilling his contracts, or being the person of that importance which he pretended, practised all the duplicity peculiar to the Chinese, and, in fact, had only amused him with the story of the Embassy, to gain time; for he had been obliged, (to save a year's demorage of the ship,) to leave Amoy, on the 12th March 1701-2, without receiving goods, estimated at twenty thousand four hundred tales, for which he had contracted, and had been under the necessity of accepting Anqua's bond for that sum, to be paid in gold.

On the 11th June 1702, Mr. Roberts arrived at Madras:—the gold he had obtained, produced 54,968 pagodas; the copper had been sent to Bengal; and the silks, raw and wrought, made part of the investment for England:—on the whole, notwithstanding the twenty thousand four hundred tales, left on Anqua's bond, Mr. Roberts computed that the cargo would amount to 129,000 pagodas, which would yield a profit of £40 per cent. on the invoice prices:—he added, that he had been received by President Pitt with every mark of respect, and appointed Governor of Fort St. David, which station he reached on the 25th September, and would direct his immediate attention to remove the complaint of the Court, of the bad quality of the Coast cloth:—on the whole, that, though he congratulated the Court on the Union, he felt it his duty to inform them, that the English Company's affairs

CHAP. III. 1702-3. affairs were in a declining state, both in China, and on the Coast of Coromandel. (1)

ENGLISH COMPANY.

Account of the Union, as transmitted to Sir Nicholas Waite, by the Court of Directors.

A similar account of the Union of the two Companies, as transmitted by the London Company to their servants in India, of the Deeds of Union being completed, and of the Separate Stock of both Companies being to terminate, after the 22d day of July 1702, was transmitted to Sir Nicholas Waite and his Council, at SURAT:—on this event, he was enjoined to make up, and convey to the Court of Directors, the whole of the separate accounts, that the actual state of their affairs might be known to them, and to the Proprietors. It was again repeated, that the losses sustained by the ill-assorted and high priced goods at Surat, had rendered the Union a measure of absolute necessity. As farther opposition could only produce a general injury, Sir Nicholas Waite was required to use his best endeavours to relieve Sir John Gayer, and the London Company's servants, from the restraints under which they had been placed. Should the Ambassador not have left Surat, he was to terminate his negotiation, and embark for Europe; and should the demands for compensation, for the depredations committed on the

(1)—Letter from Gabriel Roberts, Esq. to the Court, dated Amoy, 1st February 1701-2, and Fort St. David, 3d October 1702.

CHAP. III. 1702-3

the Mogul's subjects, by the pirates, be continued, he was directed to retire, with the English Company's effects, to Bombay, that Island being now the joint property of both Companies.

Equipments, stock, and instructions for Surat.

Two ships were equipped, this season, for Surat, on the separate account of the English Company, with stocks estimated at £80,000, with which all debts were to be cleared off; one of the ships was to return with a cargo of indigo, pepper, coffee, drugs, and cotton-wool, and the other to proceed to China, with a stock estimated at; from £40,000 to £50,000, for which trade ten additional chests of silver had been laden on this vessel. (1)

Equipments and stock consigned to Consul Pitt, now appointed Governor of Fort St. David.

A corresponding description of the Union, and recommendations of conciliation, were transmitted to Consul Pitt at Masulipatam, with notice that, as there existed no farther occasion for the exercise of his Consular powers, they were to be revoked; and should there be any danger that the Company's property, or the persons of their servants, might be seized, on account of the piracies, he was to retire to Fort St. George, which had now become the joint property of both Companies.

The appointment of President Pitt, by the United Court of Managers, to be President and Governor of Fort St. George, was next notified, and of Consul Pitt to be Governor of Fort St David, with a Council, at a salary of £100 per annum, and £100 gratuity, and to succeed, on the death or removal of President Pitt, to be President and Governor of Fort St. George.

(1)—Letters from the Court of Directors of the English Company to Sir Nicholas Waite and Council at Surat, 21st May, 6th, 18th, 20th, and 28th August 1702.

CHAP. III. 1702-3.

The Coast goods, hitherto obtained by the English Company, having been dearer than those bought by the London Company, Consul Pitt was, in future, to provide the investment at Fort St. George, Fort St. David, and at the other Settlements, where the factors of the London Company purchased. The ship Halifax was to be dispatched to China, with a stock of £30,000 in silver, and consigned to President Catchpoole, at Pulo Condore, and, in the event of his having removed from that Island, she was to proceed to Canton, under charge of three Supercargoes; but, on her return, Consul Pitt was, by no means, to vest the proceeds in Coast goods, the market being overstocked with them:—on the whole, he was to wind up the Company's affairs at Masulipatam and Madapollam, to remove, as soon as practicable, to Fort St. David, and to fill up any spare tonnage in the homeward ships with saltpetre, on the English Company's separate account.(1)

Instructions to Sir Edward Littleton in Bengal.

The approbation which the Court had expressed, in the preceding season, of Sir Edward Littleton's conduct in BENGAL (a similar approbation having been given by the London Company to that of President Beard) explains the difficulty which the Court of Managers experienced, in adjusting the pretensions of these officers, to the Presidency; after, therefore, repeating the same account of the Union, the Court of Directors of the English Company informed their servants in Bengal, that, for

(1)—Letters from the Court of Directors of the English Company to Consul John Pitt and Council at Masulipatam, 6th and 27th August, 1st September 1702, and 9th March 1702-3.

for one year, the office of President had been suspended, and the powers of the United Company vested in a Council of Eight, selected from the four senior members of each Company, and that an equal number of their subordinate servants would be employed in the United Trade, but no new appointments made, till the establishment should be reduced to its ancient standard:—that such of their servants as were not employed, were to have permission to remain in India, as Free Merchants, or to come to England:—the Consular powers of Sir Edward Littleton were revoked, as unnecessary, and his attention, as well as that of Mr. Beard, was directed to make up the separate accounts of the respective Companies.

CHAP. III. 1702-3.

On reviewing the disturbances among the Country Powers, and the oppressions by their officers, it was directed, that Sir Edward Littleton, and the other servants of the English Company, should withdraw all the Out-factories, and retire to CALCUTTA, where Mr. Halsey and Mr. Hedges were to be alternate weekly Presidents; that place being a safer residence than Hughly, and now jointly belonging to both Companies.

In notifying these arrangements, the Court expressed their dissatisfaction, with the negligent and dilatory manner in which their books had been kept, and ordered that their separate accounts should be completed with all diligence, and the accounts of the separates tock kept distinct, it having been settled, that neither Company were to be charged with the separate debts of the other; whatever surplus might remain, was to

 be

CHAP. III. 1702-3. be vested in saltpetre, on the English Company's account, and sent to England by the ships of the season.

The home market being overstocked with Bengal goods, the ship Union was to return to China (which, as in the preceding season, was to furnish part of the funds for the investment) with a stock of £20,000 in silver, to be consigned to President Catchpoole, at Pulo Condore, or, in his absence, to the Company's Agent at Chusan.

If Mr. Landen, the late Agent at Borneo, who had been dismissed the service, should come to Bengal, orders were given (in the same manner as to Masulipatam) to seize his property, and detain him, till he should clear and settle his accounts.(1)

The failure of the speculation at Borneo ascribed to Mr. Landen, who is dimissed the Company's service.

The Court had, this season, received the most unfavourable accounts of their affairs in BORNEO, and it will appear in the foreign transactions, that the failure of the commercial speculation for pepper, on that Island, arose from breach of trust and arbitrary conduct in President Landen, whom, this season, they dismissed the service, and appointed Mr. Thomas Tooley to take charge of their affairs at Borneo, at a salary of £150 per annum, to be assisted by a Council of Four, the three Senior Members at £60, the Junior at £40 per annum; and orders were repeated, to seize Mr. Landen's books and papers, to become evidence of his misconduct, that his property might go

(1)—Letters from the Court of Directors of the English Company to Sir Edward Littleton and Council at Hughly, 6th and 27th August 1702, 27th February 1702-3, and 25th March 1703.

go in compensation for the losses sustained; at the same time, his Consular powers were revoked.

CHAP. III. 1702-3.

Though the first experiment of a trade in pepper, at Borneo, had failed, the speculation was not abandoned; for the ship, Samuel and Anna, was dispatched for Banjar-Massin, with a stock estimated at £2,500, and with orders to obtain, as the principal part of the cargo, the largest proportion of pepper which could be purchased.

Continuation of the projects for trade in China.

As the Union had taken place, that event was notified, and an order given to take an inventory of all the Company's stock, to the 22d July 1702, and to charge the amount of salaries to the English Company, till the arrival of the first ship, but afterwards to carry this charge to the United Stock.(1)

Two circumstances marked the proceedings of the Court, this season, respecting the trade to CHINA; the amount of the equipments, with the connexion intended to be established between China, and the Presidencies of Masulipatam, Hughly, and Surat, for encreasing the resources for the trade, and the resolution to relinquish the trade of Japan altogether, on the separate stock of the English Company. The expediency of prosecuting the China trade being referred to the Court of Managers, the ships destined for it, were, the Sidney, to return by Fort St. George; the Northumberland, by Bengal, and the Montague, by Surat; with the Streatham, which was to return

(1)—Letters from the Court of Directors of the English Company to the Agent and Council at Banjar-Massin, in Borneo, 6th, 20th, and 27th August 1702, and 2d April 1703.

CHAP. III. 1702-3.

return by Mocha:—Supercargoes were sent for the management of each of these ships and cargoes.

As the Court were uncertain respecting the residence of President Catchpoole, the whole of these concerns were connected with the station of PULO CONDORE, for which the ship Samuel and Anna, also, carried out a stock of £22,350, and was thence to proceed, with an invesment of tutenague, copper, and gold, to Bengal:—this vessel, should she not find the President at Pulo Condore, or a Factory on it, was, with her stock, to proceed to Chusan, and thence to return by Bengal:—and as the Court acted under a hope, that the President had been able to establish a Settlement on that Island, (attempted on his own suggestion,) they desired to be particularly informed, whether there was a safe harbour in it, for China ships, during the Monsoons.

After intimating to President Catchpoole that the Union had taken place, the Court repeated the order for making an inventory of all effects up to the 22d July 1702, and, on that day, opening new books on the credit of the United Stock. (1)

Sir Nicholas Waite continues his aspersions on the Ambassador, and

Though several months had elapsed since the Embassy left SURAT, for Europe, and though, as we shall immediately find, the Mogul Power was declining, and that of the Mahrattas encreasing

(1)—Letters from the Court of Directors of the English Company to the President and Council at Chusan, 27th August 1702, and 27th Februray 1702-3.

creasing (the civil war for the succession not having yet commenced) Sir Nicholas Waite continued to ascribe to Sir William Norris, the failure of the negotiation, and to raise the hopes of the Court, that he would procure the Phirmaunds, through the interest of "Gazedee Khan." It had been, since the arrival of this Consul, his invariable practice, to instigate the Governor of Surat, to acts of violence against Sir John Gayer and the London Company's servants; and, on this occasion, he suggested, that they ought not to be allowed to go on board their ships, under the pretext of expecting a new Governor at Bombay. In these proceedings he discovered, that his principal anxiety arose from the fear of an Union, against which he offered his advice, as a measure that would involve the English Company in the Security-Bonds, which had been extorted from President Annesley, and place them under the humiliating circumstances of the London Company, when they got, in the form of a pardon, permission from the Emperor to resume their Factory at Surat.

CHAP. III. 1702-3. his violent proceedings against the London Company's servants;

After, however, information of the Union reached him, by a dispatch from Consul Pitt at Masulipatam, he was satisfied that his opinions, respecting that event, would come too late, and, therefore, assumed a formal civility to Sir John Gayer, which was returned, as formally; neither, evidently, placing any reliance on ceremonies to which each submitted.

—but affects conciliation, after receiving intelligence of the Union.

The conduct of Sir John Gayer was more liberal than that of Sir Nicholas Waite, for on receiving intelligence of the Union from his superiors, he immediately notified it to the Governor of Surat, as an event which, he trusted, would do away all

future

CHAP. III. 1702-3. future opposition of English interests:—this act of duty was interpreted, by Sir Nicholas Waite, to be unfriendly to the interests of the English Company, and, to it, he ascribed the stop which had been put to the Phirmaunds passing the Mogul's Great Seal:—Aware, however, that this conduct might involve the United Trade in disastrous consequences, he desired the advice of the other Presidencies, whether he should take any further steps to obtain the Phirmaunds, because the estimated expences of procuring them, would amount to the sum of 320,000 rupees, and he did not know whether they could be carried to the separate stock of the English Company, or to the United Stock; meantime, that he revoked the powers given to Rustum, the broker, to defray these charges, even should he be able to obtain the Phirmaunds. In reply, those Presidencies gave it as their opinion, that, as the Phirmaunds would apply to both Companies, now United, they did not consider the expences, as any reason for precluding him from soliciting them, as they were grants of so much importance to the trade in India.

After, however, Sir Nicholas Waite was fully informed, by the Court, of the event of the Union, he expressed his resolution to observe a friendly intercourse with Sir John Gayer and his Council, to balance his books, to pay off the separate debts of the English Company, and to return their ships with as rich cargoes as could be collected; but that Rustum, the broker, had made a claim for sums expended, in obtaining the Ambassador's pardon from the Mogul.

From the account given of the state of the Country, at this

CHAP. III. 1702-3.

this juncture, even in Sir Nicholas Waite's general letter, it is obvious, that farther negociation for Phirmaunds, was a pretext, only; as the obtaining them, would not have answered the purposes for which they were solicited. In the early part of this season, the Mogul was still in the field, with his army, at "Burgum, on the river Bimrah;" but, towards the close of it, the Mahratta army had not only advanced within twelve coss of Surat, but, in the month of February 1702-3, were within two miles of that city, and, in March, had burnt the suburbs, and were besieging the town:—on this occasion, they demanded one quarter part of what they estimated the revenues of Surat:—the Europeans retired to their respective Factories, and took up arms for their defence, endeavouring, by every good office, to conciliate the Mahrattas, or to obtain their protection, in the event of their getting possession of the city;—trade, therefore, was embarrassed in the extreme; but after the Mahrattas retired, and an order came from the Mogul, to take off the embargo on the European trade, Sir Nicholas Waite dispatched the ship Albemarle for England, with a cargo of drugs, indigo, cloths, and cotton, estimated at 165,000 rupees.

It does not appear, that Sir Nicholas Waite made any progress in opening a trade with the ports on the Malabar Coast, but he sent Agents to Bussorah, and had received information that trade was practicable, at that port, on the Company's agreeing to pay customs, at the rate of eight per cent. *ad valorem.*(1)

 Consul

(1)—Letters (general) from Sir Nicholas Waite and Council at Surat to the Court of Directors of the English Company, 3d September and 12th December 1702, 28th January, 5th

CHAP. III. 1702-3. Depressed situation of the English Company's affairs on the Coromandel Coast, at the time of receiving intelligence of the Union.

Consul Pitt, and the Council at MASULIPATAM, still continued under the deception that Sir Nicholas Waite would be able to obtain the Phirmaunds:—this explains the opinion which has already been referred to; and yet, if Consul Pitt's account of the state of the country, and particularly of Madras, had been correct, or had been corroborated by President Pitt's advices, Fort St. George, itself, was in danger of being invested by Doud Khan.

Comparing, however, the demands which President Pitt made for recruits in the preceding season, with the confidence which he had expressed in the strength of the garrison, the fact appears to have been, that depredations were carrying on, by hovering parties of Doud Khan's troops, which embarrassed trade, as goods, in their transit, were exposed to pillage by the Mogul, and the Mahratta forces, who occupied, at this time, the country and the roads leading from Golcondah, and stopped the goods coming to Masulipatam.

That Madras was in a situation to resist any attack by the Native Powers, appears from Consul Pitt's conduct, after the accounts of the Union had arrived, and been published by the Presidents of both Companies, for he then described it as the retreat to which the English, in general, must fly, in the event of a civil war; but recommended, that the Factories at Madapollam and Masulipatam should be continued, and fortified, as stations

5th and 7th February, 10th March 1702-3, 26th March, 10th and 12th April 1703.—— Letter from the President and Council at Surat to the President and Council at Masulipatam, 11th December 1702.—— Letters from the President and Council at Surat to the President and Council at Hughly, 26th August and 10th December 1702.

stations to the northwards, favorable for the purchase of investments:—this opinion, in a subsequent period, is justified, by the exertions made to retain the Northern Circars for the United Company, which, from their connexion with the Carnatic, were admitted to be the most valuable of the Company's conquests. CHAP III. 1702-3.

The commercial circumstances of the Presidency of Masulipatam, this season, were disastrous in the extreme, from the misfortune of the ship Norris, which had brought the principal stock for Coast and Bay, amounting to £110,000, having been blown up, on the 2d August 1702, off Diu Point, the wreck driven out to sea, and no part of the treasure recovered:—Instead, therefore, of having stock, or funds to discharge their debts, agreeably to the Court's order, or to purchase an investment for their separate stock (the Rising Sun having been dispatched to England in the early part of the season, with a cargo estimated at 295,000 rupees) Consul Pitt had been obliged to borrow twenty thousand pagodas of the Native Merchants, and thirteen thousand of Mr. Affleck, a Free Merchant, at ten per cent., to purchase an investment for the Katherine, and to apply to the Presidency of Hughly, for permission to draw on them, for forty or fifty thousand rupees, with which, and the money expected from China, this ship was subsequently dispatched for Europe, with what is indefinitely described as a rich cargo.(1)

3 X 2 If

(1)—Letters (general) from Consul Pitt and Council at Masulipatam to the Court of Directors of the English Company, 25th April and 10th August 1702, 23d January and 27th

CHAP III.
1702-3.
Sir Edward Littleton's report of the state of trade in Bengal.

Though the embargo on trade, which distressed the English Company's affairs at Surat, and had been severely felt at Masulipatam, reached BENGAL at a later period, it was there more rigorously enforced by the Duan; for, early in this season, all Europeans were indiscriminately seized in the Out-Factories, and the English Company's Agents at Cossimbuzar, Rajahmahl, and Patna, thrown into prison, and their effects sealed up:—the property belonging to the English Company, seized at Rajahmahl, was estimated at seventy thousand rupees. Having no soldiers for a guard, Sir Edward Littleton was obliged to fortify the Factory at Hughly, in the best manner practicable, and to hire a hundred Portuguese, and such other Europeans as he could engage:—he next recalled the ship De Grave, which had already dropped down the river, on her voyage to Europe, and stationed her abreast of the Factory, for its protection. As this oppression continued for a considerable time, and was supposed to arise from the joint councils of the Prince and the Duan, it became necessary to keep one of the Company's ships constantly moored off the Factory.

In this situation of the English Company's Factories and trade, the accounts of the Union reached Bengal, and what is described as "a complimentary intercourse, only," took place between Sir Edward Littleton, President Beard, and their respective Councils.

As

February 1702-3.—— Letters from the Consul Pitt and Council at Masulipatam to Sir Nicholas Waite and Council at Surat, 10th June, 12th August, and 10th October 1702.—— Letters from Consul Pitt and Council at Masulipatam to Sir Edward Littleton and Council at Hughly, 25th March and 20th May 1703.

CHAP. III.
1702-3.

As the season advanced, reports prevailed, that the embargo was revoked; but a demand was made by the Prince, on this occasion, of sixty thousand rupees, as a present, to be equally furnished by the Dutch, French, and two English Companies: Whether the Dutch, French, and London Company paid their proportions, Sir Edward Littleton does not specify, though, subsequently, he obtained an order from the Prince and Duan for permission to trade, and was obliged to make a present of fifteen thousand rupees, but he described this order as having placed his trade on the same ground as that of the London Company, and that, in future, he was to pay only three thousand rupees per annum, in lieu of all customs:—after, therefore, submitting to the Court, that the ships ought to be dispatched one month sooner from England, and that the stock ought to be equal to the demands at the Out-factories, he informed them, that one ship had been sent with a large quantity of raw-silk, and the ship, Bengal Merchant, with an investment, which he estimated at 343,700 rupees.(1)

Precarious situation of the Settlement in the Island of Borneo.

The dismission of President Landen, as Chief of the Settlement on the Island of Borneo, and the appointment of his successor, were mentioned among the domestic resolutions of the season. In his defence, Presideut Landen stated, that, from a great mortality among the Europeans, from not having been

(1)—Letters (general) from Sir Edward Littleton and Council at Hughly to the Court of Directors of the English Company, 6th March 1701-2, 15th and 18th December 1702, 25th and 26th January, 20th and 23d February 1702-3.—— Letters from the Presidency of Hughly to the P.esidency of Surat, 20th April, 6th October, 14th November 1702, and 10th February 1702-3.

CHAP. III. 1702-3.

been supplied with necessary stores, from the disobedience and misconduct of the subordinate servants, and from not being able to form a regular Factory, he had shipped the stores which were under his charge, and withdrawn the Settlement from Banjar-Massin, though, at the same time, he recommended Borneo, as advantageously situated for trade, and that it would be expedient to resettle it:—instead, however, of proceeding to the Coromandel Coast, he directed his course to Batavia, where, it is probable, he received the first notice of his dismission, as the ship Mary, then at that place, was, by order of President Catchpoole, sent to Banjar-Massin, to preserve this station, and to bring off the pepper which had been collected. From Batavia Mr. Landen intimated, that he would return to Europe, where he trusted he should be able to vindicate his conduct; but, it has appeared, that the Court, instead of listening to his accusations against the subordinate servants, appointed Mr. Tooley, with a Council composed of the other Factors, to manage their interests and trade on the Island of Borneo.(1)

President Catchpoole's report on the China trade of the English Company.

On comparing the report on the Company's China trade, by President Catchpoole, in the preceding season, with the orders and equipments which had been sent out in this, and the information conveyed by him, we discover, not only the precarious state of trade at the ports in the Chinese Empire, but the result of the experiment to form an independent station, for

(1)—Letters from Mr. Landen, President of the Island of Borneo, to the Court, dated Borneo, 20th April 1702, Batavia, 30th June 1702, and 10th February 1702.

for exchanges, between China and the Company's Settlements in India. CHAP. III. 1702-3.

In the preceding season, President Catchpoole had been compelled to quit Chusan, to leave part of the Company's property, a prey to the Governor and Mandarines, and to take refuge at Batavia, from which he had dispatched a ship to Borneo, to endeavour to resettle the Factory on that Island:—still adhering to his opinion, respecting the importance of the Island of PULO CONDORE, he sent a vessel, with stores and provisions of all kinds, and ten Maccassar soldiers, as a reinforcement, and bought twenty-one slaves, to assist in the cultivation of the ground, and in erecting a fortification for its defence;—he also purchased a vessel, of three hundred and fifty tons, to be stationed at this Island, for the purposes of trade and protection. Having, thus, taken every practicable measure for its preservation, he requested the Court, that one hundred soldiers, with an officer, might be sent, with a full proportion of stores, and a supply of Writers; for such a power would enable the President to make an impression on the Chinese Government, and to retaliate injuries at the different ports of that Empire.

Having taken these precautions, President Catchpoole sailed from Batavia, and arrived at Chusan, in the month of August 1702, at which, though, at first, he met with a favourable reception from the Governor and Mandarines, and promises that the debt due to the Company, should be paid when he quitted the port, he found that a competition had arisen, between the Pekin Merchants, who had arrived to purchase European goods

CHAP. III. 1702-3. goods for the Emperor's sons, and those of Chusan:—this event, he expected, would enable him to procure China produce, and to dispatch one of the ships with a full cargo:—the promises of the Hoppo, or Governor, and the Chief Mandarines, were, however, as fallacious in this, as in the preceding season, and, therefore, he again determined to quit the place, and to return, on the ship Liampo, to Pulo Condore, and thence to dispatch this vessel, with a stock of stores and provisions to Banjar-Massin. On discovering this intention, the Hoppo set a guard on the house, where he and the Factors lodged, who were released only by giving a large bribe, and compelled to take what goods the Merchants chose to give them. On this occasion, Mr. Catchpoole sent a list of the articles which were suited to this trade, *viz.* lead, tin, and pepper; but broad-cloth, woollens, glasses, &c. would not sell. Having twice experienced the duplicity and oppressions of the Chinese Governors, he inferred, that grants or treaties (even if obtained) were pretexts only for oppression, and that the true mode of proceeding was, to negotiate, at Pekin, through the Jesuit Missionaries, whose influence was superior to that of the local magistrates:—In return for the great services, which Padré Fontanez, a French Jesuit, had rendered, President Catchpoole accommodated him with a passage to Europe on one of the Company's ships, and stated, that, in any future emergency, a communication ought to be kept up with Pekin, through the Agency of the celebrated Padré Gerbillon.

The

CHAP. III. 1702-3.

The reports of Mr. Biggs, and the other Supercargoes, at CANTON, in a similar manner, described the difficulties they had experienced, in attempting a trade, arising from the duplicity and evasions of the Chinese; but, they had so far succeeded, as to obtain a good assortment of raw-silks and damasks, in exchange for broad-cloths, with which a ship would be dispatched to India, to complete her investment for Europe. (1)

(1)—Letters from President Catchpoole and Council to the Court, from Chusan and Batavia, and from Mr. Biggs at Canton, 15th June, 28th August, 4th and 27th September, 7th November 1702, 30th January, and 10th February 1702-3.

1703-4.

CHAP. III.
1703-4.
The Annals of the East-India Company, in this season, require the same arrangement, as previously to the establishment of the English Company.

From the period when the direct trade, between England and the East-Indies was vested in two distinct Companies, it became necessary to state the transactions of each Company, separately, that events might unfold the impolicy of this system, and open to view the public measures which those Companies, and which the Crown, found it necessary to adopt, for the restoration of the ancient regulated trade by one great commercial Incorporation:—this method was, also, continued in the preceding season, that the subordinate expedients, required for winding up the separate affairs of the two Companies, might be kept distinct.

We can now return to the arrangement observed previously to the year 1698; that is, first to trace the domestic, and next the foreign transactions, which marked the progress of East-India affairs; subjoining the particular measures by which the separate stocks, both at home and abroad, were finally wound up, and those which the United Trade adopted; for, on them, we shall find Indian affairs have, subsequently, rested.

It is necessary, in following this arrangement, to resume, and to continue the instructions for Surat and Bombay, in the first instance, because, at those stations, the seats of government and of trade were fixed; connecting with this part of the subject, the

the transactions in the Gulfs of Persia and Arabia, and on the Malabar Coast; and then to pursue the instructions for FORT ST. GEORGE, and its dependencies, and for BENGAL; keeping the events which occurred in the Farther Indian Seas, or in CHINA, as distinct subjects, which, though of less moment, at this period, will, in the sequel, be found of great commercial importance.

CHAP. III. 1703-4.

Sir John Gayer appointed by the Court of Managers, to be General for the United Interest, and the Consular powers of Sir Nicholas Waite revoked.

When the Court of Managers took the general administration into their hands, they re-appointed Sir John Gayer to be General and Governor of BOMBAY, Mr. Burniston to be Deputy Governor, and Sir Nicholas Waite to be President at SURAT; for, as yet, they were uninformed, whether Sir John Gayer had been liberated from the confinement in which the Governor of Surat had placed him. It was ordered, however, that, as soon as might be practicable, he should remove to the seat of government at Bombay, and avoid all explanations with the Governor of Surat, till he should be in a situation where he could act independently; and, in the mean time, to prevent the recurrence of animosities, the Consular powers of Sir Nicholas Waite were revoked, as being, from the Union, no longer necessary.

General instructions to Sir John Gayer.

This basis of government having been established, the instructions to Sir John Gayer were, that, subsequently to the 22d July 1702, all charges were to be defrayed by the United Stock, and that all vacancies were to be filled from the covenanted servants of the two Companies, conformably to their respective ranks; it being a rule, in such appointments or promotion, that

CHAP. III. 1703-4. every servant should clear his own accounts, and subsequently, by his zeal and diligence, give evidence of his fitness to serve the United Company:—supernumeraries had permission, either to return to England, or to remain, as Free Merchants, in India.

The opposition between the two Companies having created disputes, respecting the rights of each, which had been the source of the sufferings which Sir John Gayer and President Colt had experienced, it was ordered, that an exact account should be taken of the sums which had been extorted from the London Company, as compensation for the piracies; but if the Phirmaunds had not been obtained by Sir Nicholas Waite, all farther negotiation respecting them was to terminate.

When the Court, towards the close of the season, were informed that the Phirmaunds had not been procured, they held it to be a fortunate circumstance, because it would prevent the payment of the large sums demanded for them, which must have embarrassed the English Company, and might have protracted the final settlement of the Union, which both Companies were solicitous to complete, previously to the lapse of the prescribed seven years; for the men of war had been dispatched to clear the Indian Seas, and, it was hoped, the recurrence of such evils as might occasion demands, by the Mogul, for compensation, would not become the source of fresh troubles.

Method of adjusting the separate stocks of the two Companies.

In the instructions of this season, the method was first distinctly stated, to the persons vested with power at Bombay and Surat, in which they were to proceed in bringing the charges

charges under the heads of United Stock and of the Separate Stocks of the former Companies, and a date fixed (22d July 1702,) to which those respective accounts were to be made up; it was, also, explained, that as the losses sustained by the storm at Bombay, on the 2d November 1702, had taken place, posterior to the date, when all charges were to be borne by the United Stock, the sums required for reparations were to be carried to that account.

It was next explained, that, though, during the opposition of the two Companies, each was, in a manner, dependent on their native brokers at Surat, and liable, in all purchases and sales, to imposition, which they neither could evade nor remedy; in future, the leading rule must be, to check all combinations among their brokers, and to endeavour to recover from them all debts incurred, either in the sales of European, or the purchase of Indian produce.

Equipments and instructions for the general trade.

The equipments, this season, for the United Trade, were two ships for Bombay, two for Coast and Bay, two for Borneo, two for Bencoolen, and four for China, of which last, one was to return by the Coast, one by Bengal, one by Bombay, and one by Mocha. The goods exported this season, were lead, cloth, iron, and bullion only, with which the Agents of each Company were to clear off all old separate debts:—in the purchase of the investments, expected in return, all competition in the market was to cease, and the goods ordered were to be of equal quality with those which had arrived in England, on the private trade account (particularly myrrh and aloes), and from the existing

war

CHAP. III.
1703-4.

war in Europe, the largest quantity of saltpetre that could be procured.

Separate orders of the London and English Companies for winding up their respective affairs.

Such was the outline of the general trade:—the particular orders given by the two Courts, interested in winding up their separate affairs, formed a distinct subject. The stock, for this purpose, transmitted by the London Company, amounted to £13,220, with which all debts were to be paid off, but not till Sir John Gayer should be safely arrived at Bombay. The sum transmitted by the English Company amounted to £10,000 in bullion, for the like purpose, the surplus of which was to be vested in book muslins and doreeas (at this time in great request in England) and in indigo and coffee, on their separate account.

The Court of the London Company, after expressing to Sir John Gayer, their high approbation of his fidelity and courage in resisting (even during his imprisonment) the demands of the Mogul Government, required that the cause of the great difference, between the computation he had sent of the debts at Surat, and that made at home, from the statements which appeared in the Surat general letters, should be explained. The Directors of the English Company, also, required from Sir Nicholas Waite, that statements of the accounts of the two Companies might be kept separate, and the English Company not rendered liable for any demands which might be made on the London Company.

An Agent sent to Persia, to settle the disputes among the

As the information which the Court had received, this season, respecting their rights and trade in PERSIA, had not been such as to enable them to send any particular orders on that subject,

subject, Sir John Gayer was empowered to give a special commission to a confidential person to proceed to Persia, to investigate the foundation of the disputes which had subsisted between the Company's Agents and Factors; and, on his report, to dismiss from the service such of them as he might deem to have been incorrect:—the Agent he might employ was, also, to wind up the whole of the separate accounts of the London Company, in that quarter, and to report his proceedings to the Court, that measures, for restoring the trade, might be adopted. (1)

CHAP. III. 1703-4 London Company's servants.

Instructions, similar to those sent to Bombay and Surat, respecting the mode of bringing the accounts under the general heads of the United Stock and the Separate Stocks of the two Companies, were conveyed to FORT ST. GEORGE and MASULIPATAM:—the appointment of President Thomas Pitt to Fort St. George, and of John Pitt to Fort St. David, having been communicated in the home dispatches of the preceding season, were repeated in this, and all Consular authority revoked. The general orders, in substance, were, that the charges on the Dead Stock, subsequently to the 22d July 1702, should be repaid, by the United Trade, to the London Company, particularly the expence of the granary built at Madras, after that date; and that a better and cheaper assortment of Coast goods, and particularly

General orders to President Pitt, and separate orders to him, and to Consul Pitt.

(1)—Letters from the Court of Committees of the London Company to Sir John Gayer and Council at Surat, 4th and 18th June 1703, and 18th January 1703-4.—— Letter (separate) from the Court of the London Company to Sir John Gayer, 8th June 1703.—— Letters from the Court of Directors of the English Company to Sir Nicholas Waite and Council at Surat, 11th June 1703, and 4th February 1703-4.

CHAP. III. 1703-4. particularly a large quantity of saltpetre, on account of the demands in Europe, should be the rule for the imports sent on the United Stock. The separate instructions which the London Company transmitted to President Pitt, conveyed their satisfaction, at his having got in the greatest part of the debts in the country, and for his exertions in recovering the remainder:—he was farther directed to send home saltpetre, bought before the 22d July 1702, on the separate account of the London Company, and, by no means, to let it go as part of the United Trade; but whatever proportion of it he had obtained after that date, was to become an article in the United Company's investment.

In the instructions to the former Consul, John Pitt, on the contrary, he was blamed for having contracted for Coast goods, to so large an amount as 170,000 pagodas, and for having taken up money at interest, because the loss on fine Coast goods, being from three shillings and sixpence, to eleven shillings per piece, below prime cost, with other losses proportionably great, proved, that the forming such a contract was unwarranted, after he had heard of the Union; and his taking part of the goods from the Bengal ships was equally so, as it had embarrassed that branch of the trade, and deprived it of the sums intended for the investment. This dissatisfaction appears to have terminated in a suspicion, that the whole of Consul Pitt's conduct had been improper, for the Court of the English Company sent a secret commission to Mr. Fraser, at Fort St. George, carefully to examine the whole of his invoices, there appearing, from the papers before this Court, a very material difference between the

CHAP. III. 1703-4.

the prices paid for the same goods at Fort St. George, and at Masulipatam :—on this point, particularly, Mr. Fraser was to make a confidential report to the Court.(1)

London Company's separate orders to the Agent at Bencoolen.

The orders of the London Company to the Agent at BENCOOLEN, this season, were directed to two points only ;—to charge the expences of the Dead Stock to the United Trade, after the 22d July 1702, and to vest what surplus of money, or goods, he might have, on that day, in pepper, to be sent to England, on the London Company's separate account.(2)

Instructions to Mr. Beard, in Bengal.

The Court of Managers conveyed similar instructions to BENGAL, respecting the United and Separate Stocks, with those sent to Bombay, and to which reference was made, in the instructions to the Coast ;—but there appears a dissatisfaction, in the Court of the London Company, with the commercial proceedings of Mr. Beard, and in the Court of the English Company, with the improper conduct of Sir Edward Littleton :—Mr. Beard was blamed for the inaccuracy of his general accounts, and for allowing private trade, which had occasioned competitions, to the detriment of the London Company ; his services, however, were acknowledged, for getting in, and liquidating the debts

(1)—Letters from the Court of Committees of the London Company to President Thomas Pitt and Council at Fort St. George, 10th January 1703-4.—— Letters from the Court of Directors of the English Company to President John Pitt and Council at Masulipatam, 10th May, 8th June, 1703, and 10th January 1703-4.—— Letter (private) from the Court of the English Company to Mr. Fraser, at Fort St. George, 10th January 1703-4.

(2)—Letter from the Court of the London Company to the Agent and Council at Bencoolen, 10th January 1703-4.

CHAP. III. 1703-4.

debts at Patna, Cossimbuzar, &c., and for his estimate of the sums which had been extorted from him, by the Prince, Duan, and Native Officers.

With these animadversions, the Court signified, that, in this season, they were to send a small stock, only, because the surplus of Quick Stock at Fort St. George had been ordered to be remitted to Fort William, and the whole of the money recovered in Bengal, (as the separate stock of the London Company,) was to be vested in saltpetre, of the best quality, the existing circumstances of an European war making it a profitable article in the market:—The sending a small stock might, also, convince the Moors of the evil consequences of oppressing the English, and the danger the trade in India would run, should they withdraw from it.

Separate instructions to Sir Edward Littleton, and secret orders to a Committee to report on his proceedings.

Sir Edward Littleton was blamed by the Court of the English Company, for his great negligence in transmitting his accounts, which had occasioned considerable embarrassment, and had led to the appointment of a Committee, to inspect Bye-laws, one of which positively required, that all books should be balanced, and sent home every year;—for having allowed the Company's servants to enter into contracts for private trade with the Natives, which was positively prohibited;—for having sent home goods, at such high prices, and of such bad quality, that the Court would be obliged, in future, to request some of the London Company's servants to superintend their affairs, and make up their accounts:—and for detaining

detaining the shipping without reason, particularly the De Grave, as this vessel had become leaky, and fears were entertained of her being lost. These complaints terminated in suspicions of the correctness of Sir Edward Littleton's administration, for a secret letter was dispatched to the four Senior Members of the English Company's Council, empowering them to examine the contracts into which he had entered with the Native Brokers, and should they find he had been guilty of a breach of trust, they were, on their being settled at Calcutta, to require him to deliver up his books and papers:—if he refused, or was refractory, they were to seize them by force, and should they discover proofs of his fraudulent proceedigns, they were then to produce a secret letter, revoking his commission as President; this letter, however, was not to be acted on, except in the event of his refusing to surrender his books and papers, or to afford explanations to their satisfaction. (1)

Instructions to the Agents at Chusan, Borneo, &c.

The importance of the CHINA trade, on the Union of the London and English Companies, and the value of the imports from that Empire, with the probability of extending the circuit

 of

(1)—Letter from the Court of Committees of the London Company to Mr. Beard and Council at Fort William, 10th January 1703-4.—— Letters from the Court of Directors of the English Company to Sir Edward Littleton and Council at Hughly, 10th January and 4th February 1703-4 —— Letter (separate) from the Court of the English Company to the four Senior Members of Council at Hughly, enclosing a revocation of Sir Edward Littleton's commission as President, 10th January 1703-4.

CHAP. III. 1703-4. of exchanges, between it and the Islands in the China Seas, and India, had led to a competition between the two Companies, which the Union in England rendered no longer necessary; in this season, therefore, when the trade was committed to the Court of Managers, and when, of course, the competition ceased, the station of PULO CONDORE was considered to be no longer of importance, for, notwithstanding the reports of President Catchpoole, it was the opinion of the Court, that it should be withdrawn, and that the military stores, and the materials for fortification, should be carried to BANJAR-MASSIN, that the trade of Borneo might be connected with that of China and India. For this purpose, it was ordered, that every civility should be shewn to the inhabitants, and the project of fortifying Banjar-Massin concealed, till the place could be put in a state to repel their attacks.

The investment ordered on the ship Liampo, affords a new view of the goods imported, at this period, from CHINA to England; or, twenty-four tons of copper, forty tons of green ginger, and the remainder of the cargo in teas, of which two-thirds were to be *Singlo Tea*, one-sixth *Imperial Tea*, and one-sixth *Bohea*:—if it should be found impracticable to man this vessel for a direct voyage to Europe, she was to proceed to Borneo, and there take in pepper for Bengal, and either to bring saltpetre from thence to England, or to be sold at Calcutta. The general order which had been given to the other Settlements, for winding up the affairs of the Separate Companies, and discharging all debts, was repeated to the Agents, both in China

China, and in Borneo, who were to invest whatever surplus might remain, on the Separate Accounts, in pepper, or in China produce.[1]

CHAP. III. 1703-4.

Instructions to the Gover-vernor of St. Helena.

The orders to St. Helena, on the establishment of the Union in England, in the preceding season, were repeated in this, with the addition, that all stores remaining, on the 22d July 1702, should be sold, and the proceeds carried to the separate account of the London Company, as all salaries, charges, pay of soldiers, &c., after that day, were to be repaid, by the United Trade.[2]

Similar arrangements for the foreign events of this season adopted, as for the domestic instructions.

The method observed in detailing the domestic events, which marked the Company's affairs, now under the direction of the Court of Managers, must be followed, in reviewing the proceedings of the Foreign Settlements, because the separate interests of the London and English Companies, were affected by the greater or lesser degrees of obedience which the servants of each paid to the orders of the Court of Managers, or to the subordinate orders of their respective Courts of Committees, or Directors, for winding up their affairs.

At

(1)—Letters from the Court of Directors of the English Company to the Presidents and Councils of their Settlements in China, and on the Island of Borneo, 10th January and 4th February 1703-4.

(2)—Letter from the Court of Committees of the London Company to the Governor and Council of St. Helena, 3d January 1703-4.

CHAP. III.
1703-4.
Opposite conduct of Sir John Gayer and Sir Nicholas Waite, in complying with the orders of the Court of Managers.

At Surat, the long habits of opposition, between Sir John Gayer and Sir Nicholas Waite, continued to affect their conduct, in a greater or lesser degree, in carrying the orders of the Court of Managers, respecting the Union, into execution, and the incident of Sir John Gayer having received the earliest notice of its completion, excited a considerable degree of jealousy in Sir Nicholas Waite:—the former intimated to the Court, that he should immediately enter on the duty of opening the new books, from the 22d July 1702, and that he had required the latter to be present, when the inventories of the Dead Stock of the London Company were taken; an invitation which he refused, though it was his duty to comply, giving as his reason, that Sir John Gayer, by notifying the Union to the Governor of Surat (the Phirmaunds not having been obtained) had brought on a misunderstanding, which might be prejudicial to the English Company's affairs, and that he could not take any share in making up the inventories of the London Company's Dead Stock, as their books had not been regularly balanced.—This statement he, himself, seems to have considered as evasive, and anticipated that it would not be satisfactory to the Court; but asserted, that it would have been more decorous, and would have served the partiuclar interests of the two Companies better, if each of them had separately transmitted their orders to their respective Presidencies. On one point, only, these Presidents agreed, or that force was the only means which could be used, to stop the oppressions they were experiencing from the Mogul Government; but Sir John

John Gayer explained, that till he should be possessed of means for bringing off the Company's property and servants from Surat, force could not be employed, more particularly when the weak state of the fortifications at Bombay, (the garrison not having received any supply of recruits) was taken into consideration.

The London Company's servants at Surat and the Dutch Agents imprisoned, and new Security Bonds extorted, in consequence of a Mocha ship being taken by a pirate.

As the season advanced, an event took place, which confirmed the propriety of Sir John Gayer's opinion, or the renewal of the Mogul's oppressions, with increased rigour, the whole of the Europeans being imprisoned, and new Security Bonds extorted from them, for the payment of damages done by the pirates. Two of the Mocha ships, which had remained at that port after the fleet had sailed with convoy, had run for Surat, and one of them was taken by a pirate, off Swally Bar:—the Governor of Surat immediately seized on the brokers of the European Factories, confined the Agents to their houses, and obliged the brokers of the Dutch and London English Companies, by personal violence, to give Security Bonds, in the names of their respective employers, for the sum of six lacks of rupees, the estimated value of the captured ship and cargo. Sir Nicholas Waite, to ward off the blow from the English Company's Factory, equipped one of their yachts, and, at the Governor's desire, dispatched her, on a cruise, in search of the pirates, and the Dutch shipping adopted the stronger measure of blockading the river of Surat, till their Security Bonds should be given up; but neither the service which the one had volunteered, nor the blockade of the other, could induce the Governor to release the

Agents,

CHAP. III. 1703-4. Agents of the London Company, or of the Dutch, from confinement to their houses, and both were reduced to receive a daily allowance of provisions.

Under such circumstances, trade was at a stand, and, of course, the ships of both Companies restrained from taking their investments on board, or proceeding to Europe. The London Company's Agents reported to the Court, that they would (as soon as they were released) transmit their books, balanced to the 22d July 1702, and discharge their separate debts;—and the English Company's Agents stated, that they would, also, make up their separate accounts; but that the payment of the debts, which they estimated at three lacks and a half of rupees, would render it impracticable for them to dispatch the Katherine to China, according to the Court's orders, unless they received remittances from the other Presidencies. (1)

There does not remain any documents, on which an account of the state of the Company's affairs in PERSIA, during this season, can be rested.

Death of Consul Pitt; and report of President Pitt on the separate interests of the two Companies.

The event of the death of Consul Pitt, which took place at Deverampaut, on the 8th May 1703, by again rendering Fort St. David a dependency on Fort St. George, facilitated the measures taken for adjusting the separate concerns of both Companies, on the COROMANDEL COAST. President Pitt was now

(1)—Letter from Sir John Gayer and Council at Surat to the Court of the London Company, 1st December 1703.—— Letters from Sir Nicholas Waite and Council to the Court of Managers, and to the English Company, 24th and 25th May, 19th June, 20th September, 14th and 30th November 1703.

now without a Rival, and had an opportunity of exercising those talents, and feelings of duty, for which he had been distinguished. After notifying to the Court, that the new books would be opened on the 22d July 1702, he reported, that inventories of the Dead Stock of both Companies had been taken, though Mr. Tillard, the English Company's provisional President at Masulipatam, from being the only surviving member of their Council at that place, could not attend;—that the debts due by the London Company would be discharged, but that considerable difficulty would be experienced in arranging the affairs of the English Company, from the misfortune which had happened to the ship Norris, (of the wreck of which no part had been recovered,) and from the late Consul Pitt having died much in debt;—that he had, however, offered his assistance to the servants of the English Company, and would act for the common interest, notwithstanding any insinuations which had, or might be made against his conduct; —and, in particular, that the United Stock should not suffer by closing the separate stocks of the former two Companies.

CHAP. III. 1703-4.

Having given this view of the general interests of the two Companies, President Pitt next described the convulsed state of the countries bordering on the English Settlements;—that Doud Khan had marched his army near Fort St. David, but had removed, on receiving a present of three hundred pagodas;—that Mr. Gabriel Roberts had been re-appointed Governor of that Fort;—that Doud Khan's army had next threatened Madras, but had not actually invested it, which circumstance had induced the President and Council to complete the walls round the Black

CHAP. III. 1703-4. Town, the charges of which, amounting to six thousand pagodas, had been (though reluctantly) defrayed by the Native inhabitants;—that Doud Khan's project was to expel the English from the towns round the Fort, for though the Union might be beneficial to the general interest of the Indian trade, it was a measure unintelligible to the Natives, on whom the appearance of force, to resist their aggressions, was the only means which could prevent insults and oppressions;—and, therefore, that a reinforcement of troops was absolutely necessary, for twelve out of the sixteen soldiers, who had arrived this season, were dead;—that, considering the state of the war with France, such reinforcement was the more urgent, because the French garrison at Pondicherry was more numerous than the troops which the English had at Fort St. George and Fort St. David, together;—and that, to enable both Forts to hold out against attacks, the Council at Madras had applied to the Agent at Bencoolen, to send them fifty Buggesses, or Javanese soldiers, with their officers, to do duty, for five years, at Fort St. George and Fort St. David, and, in return, proposed to send Topasses to do duty at Bencoolen.

The separate report on the affairs of the two Companies, and on trade in general, stated, in so far as regarded the London Company, that their Factory at Masulipatam had been withdrawn, and all claims on them, at that station, discharged;—that the English Company's Writers had been employed, at £20 per annum each, till the expiration of their covenants;—that hopes were entertained, Indian produce would

CHAP III. 1703-4.

would be cheaper, as the competition between the two Companies had ceased; but that the prices given for European goods must be lowered, to encourage retailers to carry them into the country;—and that, in future, it would be improper to send out gunpowder, as that article could be made at Madras, at twenty-five shillings per barrel, of as good quality as that sent from England, which cost five guineas per barrel.

The separate report on the affairs of the English Company stated, that from the heavy loss sustained by the ship Norris, and from their having dispatched the Katherine with an investment for Europe, estimated at 195,840 rupees, their funds were left so low, that though the Halifax had arrived from China, they were unable, agreeably to the Court's orders, to make up a sum sufficient to return her to China, and, therefore, after taking out part of her China produce, they had sent her to Bengal, with the remainder, that she might proceed thence to Europe.

— his report on the state of trade at Bencoolen.

There does not appear to have been any direct communications between Bencoolen and the Coast, this season; but President Pitt gave it as his opinion, that the rendering it independent of Fort St. George, would be attended with many disadvantages, as, hitherto, it had been supported, chiefly, by bills drawn on Madras;—that though the Agents at Bencoolen, had strongly recommended establishing a station at Priaman, or at Trebanny, the Madras Council would not consent, without receiving the Court's orders, but, in the mean time, they

 would

CHAP. III. 1703-4.

would supply Bencoolen with rupees, as soon as the silver should arrive from England, for that purpose.(1)

Report, by the Committee of Eight, on the state of affairs in Bengal.

The situation of affairs in BENGAL, this season, as might have been expected, from the restraints under which trade had been placed, was complicated, both from the difficulty of winding up the accounts for the three separate interests, of the London, English, and United Stocks, from the objections of the Native Powers to transfer to the United Company, the privileges the London Company enjoyed, and from the objections of the London and United Companies, to incur the risks for payments, to which the English Company were subjected, from not having a Phirmaund.

When the Commission arrived, the affairs of the United Company were placed under the direction of a Council of Eight, composed of the four Senior Members of each Company:—the office of President was suspended for one year, and the two former Presidents directed their attention to make up an account, and form an estimate of the value of the separate Dead Stocks:—each Company, however, were distressed, by the confinement their servants had experienced, and by the seizure of their effects; but, even in this situation, both agreed in giving it as their opinion to the Court

(1)—Letters from President Pitt and Council at Fort St. George to the Court of Managers, and to the London Company, 18th and 25th May, 5th November 1703, 28th January and 12th February 1703-4.—— Letter from President Pitt and Council to the Agent and Council at Bencoolen, 23d September 1703.—— Letter from Mr. Tillard, at Masulipatam, to the English Company, 26th May and 30th September 1703.

Court of Managers, that grants of trade, by the Mogul Government, were temporary expedients only, and that force, alone, or a fortification with a strong garrison, was the only means by which the observation of the conditions in these grants could be made effectual.

CHAP. III. 1703-4.

It was apprehended, however, by the London Company's Agents, that the United Trade would experience much difficulty, from the English Company having no Phirmaund, and from their having come under a Bond of Security, for the payment of customs :—under these circumstances, the United Council could not allow the English Company to use their temporary grant, but rather preferred bringing down the goods from Cossimbuzar, in the names of Native Merchants.

Having prefaced this account of the difficulties they had surmounted, the United Council informed the Court, that a Member of Council, and two Factors of each Company, had made inventories of the respective Dead Stocks of each, and that the general books had been balanced up to the 22d July 1702. It does not appear, that any obstacle was thrown in the way of executing this general order of the Separate Courts, and of the Court of Managers, by the Agents of the London Company, but that considerable difficulties had arisen, on the part of Sir Edward Littleton, whom the Agents of the English Company described to be debtor to his employers, to a large amount, for sums taken up in his own name, and from his having been security for Native Merchants, to the amount of 174,000 rupees.

When

CHAP. III.
1703-4.

When the United Council began to act, difficulties occurred, respecting the rank which each member was to hold, as some of those nominated by the London Company were dead; the moderation, however, of the English Company's servants (Mr. Beard and Sir Edward Littleton being out of the question) induced them to cede the rank to the servants of the London Company, to prevent, as they expressed it, "any disputes occurring at the commencement of the United "Trade."

This moderation left Mr. Beard and Sir Edward Littleton free to discharge the respective duties which had been assigned to them. At the close of the year, the servants of the English Company, and their effects, were placed in security at Calcutta, and in Fort William, and all the Dead Stock of both Companies put under the administration of the United Council, who assured the Court of Managers, they would insist with the Native Powers, to conform to the ancient privileges of trade, which the London Company had acquired, and to allow them, in their fullest extent, to the United Trade.

Separate reports of the servants of the London and English Companies, on this subject.

The separate reports, however, which each conveyed to their former constituents, were at variance:—the London Company's servants, in general, stated, that there would be funds sufficient to discharge their debts, while those of the English Company represented the London Company to be indebted, in Bengal, to a greater amount than their stock could discharge:—the Agents of the English Company, on the contrary, represented

CHAP. III. 1703-4

presented their funds to be sufficient to defray their debts, in less than two years, and that there would remain a surplus, both of money and goods; but, at the same time admitted, that if the debts and securities, incurred by Sir Edward Littleton, should be discharged from the separate fund of the English Company, the liquidation of the debt would be more distant, and less practicable. The representations of the servants of both Companies, on this subject, go to fix a charge of mismanagement against Sir Edward Littleton, from his unjustifiable proceedings with the other European Companies; giving, as an instance, his having granted passes to an Acheen vessel, belonging to a Dutchman and an Armenian, after Mr. Beard had refused them; and, in fact, that his conduct would be an obstruction to the speedy settlement of the United Trade.

Trade, at this juncture, embarrassed by the appearances of a civil war.

The information respecting the general state of trade, this season, is extremely limited, proving only the difficulty of making up investments, by the continued exactions of the Duan, who had made a demand of fifteen thousand rupees from each of the English Companies, for liberty of trade, and who either could not, or would not, understand the novelty of their being united, and forming only one Company; from which it was inferred, that the fortifications at Fort William must be enlarged and completed, and that a garrison of at least one hundred Europeans, with proper officers, would be required for its defence, for which an annual supply of fifteen or twenty recruits would be necessary;—that the revenues, however,

CHAP. III. 1703-4.

ever, were yearly increasing, and would, in a short time, be equal to the charges of the establishment.

The government of the country was, at the same time, extremely shifting:—the great age of the Mogul was daily increasing the appearances of a civil war, which necessarily affected the Company's trade, because their Agents could not send their treasure to be coined at the King's mints, as it might be seized, either before, or after the coinage.

The United Council, therefore, while they requested new stock, to enable them to purchase goods for the investment, to remain in safety at the Fort, till the arrival of the ships, desired that neither woollens, glass-ware, nor looking-glasses, might be sent, those articles having, from the quantity exported last season, become unsaleable.(1)

Report on the state of trade at Borneo, Pulo Condore, Chusan, and Amoy.

It is only from the reports of the English Company's Agents in BORNEO, and in CHINA, that the knowledge of the state of the English interests, embarked in the trade of either, can be collected; and, indeed, as the London Company had hitherto made voyages of experiment, only, and committed the management of them to Supercargoes, without attempting Factories, the English Company's transactions afford the sole evidence

(1)—Letters from the President and Council, and the United Council at Calcutta, to the Court of the London Company, and to the Court of Managers, 18th November, 15th December 1703, and 20th January 1703-4.—— Letters from the President and Council, and United Council, to the Court of the English Company, and to the Court of Managers, 11th December 1703, 10th and 14th January 1703-4.

evidence of the degree in which the trade to China was, at this time, practicable. CHAP. III. 1703-4.

At BANJAR-MASSIN, in BORNEO, it would appear, that trade might have been rendered profitable, if the security of a fortification, and an adequate garrison could have been afforded; for, without both, neither the pepper which might be collected, could be kept in store, nor a stop put to the projects of the Dutch, who, by means of the Chinese and Maccassars, were engrossing the greatest part of it.

The Agent at this station, therefore, represented, that much caution must be observed in erecting the Fort, or in introducing soldiers to form the garrison, for should the Natives discover, that force was intended to be employed against them, they would immediately take up arms;—that the establishment of a Fort, however, would be acceptable, both to the Chinese and Javanese merchants, because it would afford protection to their trade and shipping;—should the Court resolve to build a Fort, supplies of stores of every kind must be sent (Mr. Landen having left the place quite destitute), as well as soldiers, and an officer to command the garrison;—the trade, however, must, both in point of stock and regulations, be new modelled;—the stock must be considerable, and the trade exclusive, for if private stock ships should come out, prices would be raised, and common dollars would not be accepted by the Native merchants;—Indian produce, also, must be sent on the Company's account, only, and not on that of their individual servants in India; the market for opium, for instance, having, this

CHAP. III. 1703-4. this year, been totally engrossed, and a sufficient quantity in store for twelve months, brought by a vessel which had arrived, under Sir Edward Littleton's pass, from Bengal.

The trade in CHINA, and the state of the Company's affairs at PULO CONDORE, this season, exhibited, only, unavailing efforts to obtain grants, at Chusan and Amoy; President Catchpoole's opinion, therefore, was, that the fortifying of this Island, and sending one hundred Europeans as a garrison to it, would render it impregnable to the Chinese, and a station from which reprisals could be made on their shipping and trade; for observation had proved this to be the only expedient for obtaining a profitable share in the China markets:—Mr. Catchpoole repeated his recommendation of Pulo Condore, for this purpose, from its being cool and healthy, and situated at the entrance of the Bay of Siam, and near the "Cambojiar and Chiampa shores," on the Coast of Cochin-China;—that, hitherto, he had erected only a fortification of timber, filled up with sand, and faced with bricks, and that no farther progress could be made, till a proportion of artificers, particularly bricklayers, could be sent from England;—and that, for the next season, all ships intended for the China trade, should be ordered to stop at Pulo Condore, which would give notice to the Chinese merchants, that their trade with the English was to centre in that Island, for which a grant, from the King of Cochin-China, had been obtained.

The report on the Company's trade at CHUSAN, at which port President Catchpoole arrived, on the 19th August 1703, in substance was, that though he found the Factory safe, the

Agent

Agent left there, had only been able to obtain a small quantity of goods;—that, on his coming on shore, and attempting purchases, he had been confined to the Factory, and compelled to make a contract with the Chinese merchants, on their own terms;—that the articles, however, though dear, had been regularly delivered, and of good quality, and, therefore, that he would, in future, desist from bringing a ship to Chusan, and rather try what could be done, by opening a trade between China and Pulo Condore;—and that he should be obliged to leave above ten thousand tales, of the Company's effects, at Chusan, which, if not remitted to Pulo Condore, would oblige him to make reprisals on the Chinese junks; meantime, that he had dispatched the Company's ships, with full and rich cargoes, for England.

The report from AMOY stated, that Anqua, the Chinese merchant, had left the Supercargoes without payment, and that they were preparing to remove to Pulo Condore, by the first opportunity;—that one of the Factors would proceed on the vessel which they were about to dispatch for England, and the other would go to Pulo Condore, and return in the following year to Amoy, to try what could be done, for the recovery of the debts due to the Company at that port.[1]

(1)—Letter from the Agent and Council at Banjar-Massin, in Borneo, to the Court of Directors of the English Company, 23d December 1703, 24th February, and 23d March 1703-4.—— Letters from President Catchpoole and Council to the Court of Directors of the English Company, from Pulo Condore and Chusan, and from the Factors at Amoy, 8th July, 2d and 22d November 1703, 13th December 1703, and 19th January 1703-4.

1704-5.

CHAP. III. 1704-5. General orders of the Court of Managers, and separate orders of the two Companies.

THE events, under the administration of the Court of Managers, as well as those which regarded the winding up of the separate interests of the two Companies, were, in this season, few, and directed entirely to the bringing back the foreign administration of their affairs, to the same system which was observed, previously to the rise of the opposing interests of the two Companies.

It appears from their records, that the Directors of the English Company, who had been incorporated into a Court, with the Committees of the London Company, gave way, in all the general instructions which were framed, to the better knowledge and experience of their former opponents, but now colleagues.

In this season, therefore, it only occurs in the general orders, on the one hand, that the most decided approbation was given to Sir John Gayer, and his Council, for the resolution and zeal in the Company's service, which they had manifested, during the barbarous oppressions they had experienced from the Mogul and his Officers, and, on the other hand, the most marked disapprobation of Sir Nicholas Waite's conduct, for having refused to give his assistance to Sir John Gayer

Gayer, and the London Company's servants, during their imprisonment at Surat, with the most positive orders to him, not only to afford them his assistance, but, in future, to lay aside all animosity and personal resentment.

CHAP. III. 1704-5.

The Court of Directors of the English Company, also, expressed their marked censure of Sir Nicholas Waite, for having refused to assist in taking the inventory of the Dead Stock of both Companies; but suspended giving any decisive judgement on his conduct, or on that of their other servants at Surat, till they should have the whole subject more fully before them. It was, in the mean time, ordered, that the separate account of the English Company, at Surat, and at its dependencies, should be made up with all possible dispatch.

The Court of the London Company separately explained to Sir John Gayer, that the existing war in Europe, alone, prevented their obtaining men of war to clear the Indian Seas of the pirates, or sending a supply of soldiers for the garrison of Bombay, but that they would employ every effort, when peace should be restored, not only to render that garrison respectable, but to equip armed ships to clear the seas, and "*to root out* "*that nest of pirates, the Muscat Arabs.*" (1)

Mr. Prescott appointed Agent in Persia, under particular instructions.

The Court, after giving similar information to the Agents in Persia, with that which had been transmitted to their respective Presidencies, on the subject of the Union, and the conduct to

(1)—Letters from the Court of the London Company to Sir John Gayer and Council at Surat and Bombay, 3d and 12th January 1704-5.—— Letters from the Court of the English Company to Sir Nicholas Waite and Council at Surat, 18th January 1704-5.

CHAP. III. 1704-5.

to be observed by their servants towards each other, informed them, that the London Company's revenue at Gombroon, of one thousand tomands per annum, had, by the Act of Union, been transferred to the United Company;—that the evasions of payment, by the Persian Government, had induced the Court of Managers to apply to the Queen, requesting Her Majesty to address a letter to the King of Persia, desiring the trade might be settled on its ancient basis, and the arrears of customs paid up;—that Mr. Prescott was appointed by the Court, to be Chief at Ispahan, and was to be the bearer of the Queen's letter, and of the presents from the United East-India Company, to the King of Persia:—Mr. Owen was nominated to be next in Council to Mr. Prescott, and to remain Chief at Gombroon. In disposing of the remains of goods, all cloths which would not sell in Persia, were to be re-shipped, and sent for sale to Bombay or Surat.(1)

Instructions to President Pitt, to make up the separate accounts of the two Companies.

It is probable, that the event of the death of Consul Pitt, and the revocation of the Consular powers, assumed by his successor, Mr. Tillard, facilitated the execution of the Court's orders, for making up the separate accounts of the two Companies, as well as the management of the United Trade on the COAST OF COROMANDEL, because it restored Fort St. David to be a dependency on Fort St. George, and prepared the Agents of

(1)—Letter from the Court of the London Company to the Agent and Council in Persia, 3d January 1704-5.

of the English Company to assist Mr. Fraser and Mr. Wright, who had been empowered, in conjunction with Mr. Tillard, not only to examine the accounts at Masulipatam and Madapollam, but the separate accounts of the late Consul Pitt, and to pay off all debts due by the English Company:—To remove any claims by his assigns, the Court had paid a bill for 19,500 pagodas, for diamonds purchased by him.

CHAP. III. 1704-5.

Having thus paved the way for the arrangement of their affairs, the Court directed President Pitt, and his Council, at Fort St. George, to engage the remainder of the English Company's servants (who did not exceed six or seven in number) in the United Service, and to give them rank according to their standing in India.

On the London Company's separate account, the Court expressed their satisfaction, that the books had been completed, and directed that the surplus of Quick Stock should be invested in saltpetre, and every assistance in their power afforded to their servants in China, for recovering the debt due to the Company by Anqua; to raise what money might be necessary, on the separate account of the English Company, to pay all debts, and clear accounts at Masulipatam and Madapollam, and to offer to the Natives, a proportion of the value of what they might recover, from the wreck of the ship Norris.(1)

When

(1)—Letter from the Court of the London Company to President Pitt and Council at Fort St. George, 12th and 19th January 1704-5.—— Letters from the Court of the English Company to the President and Council at Fort St. George, and the Agents at Masulipatam, 18th January 1704-5.

CHAP. III.
1704-5.
Orders to the Agent at Bencoolen to make up the separate account of the London Company.

When the transfer was made of the Settlement of Bencoolen, in the Island of Sumatra, in the season 1702-3, by the London to the United Company, this station was made independent of Fort St. George; which President Pitt subsequently represented had occasioned the inconveniency of his not having been able to control their proceedings, while they were drawing for large sums on the Presidency, to defray their expences, and to make purchases of pepper, to fill up their exports to England.

Though this independence of Bencoolen was not revoked, in the season we are reviewing, the Agents were blamed, for not having made up, and transmitted their accounts of Quick Stock, or returns of the amount of pepper in store, as it appeared, that besides the large stock sent for the investment in this article, they had drawn bills on Fort St. George to the amount of sixteen thousand dollars; the orders, therefore, were repeated, that the accounts should be speedily made up, and encouragement granted to the Chinese to settle at the Company's stations, on the Island of Sumatra.(1)

Commissioners to be sent to Bengal, to report on the conduct of the Presidents of both Companies.

If the Court of Managers were dissatisfied with the state of the United and Separate Stocks, in the preceding season, the information they had received, in this year, by affording them evidence of the improper proceedings of the late Presidents in Bengal, induced them to adopt the strong measure of empowering

(1)—Letter from the Court of the London Company to the Agent and Council at Bencoolen, 3d January 1704-5.

CHAP. III. 1704-5.

powering two of their servants, at Fort St. George, to proceed to Bengal, and examine the state of their separate accounts and debts, and report their progress to President Pitt and the Council at Fort St. George:—these Commissioners were authorized to enter on a general examination of all accounts and commercial transactions, which had taken place in Bengal, since the year 1698, and to transmit the result, one copy to Fort St. George, and another to the Court, that the sum which really constituted the debts of the London Company might be ascertained, and liquidation of them effected; for which purpose, President Pitt was empowered to borrow money at interest, and to draw bills on the Court, for the discharge of this debt, and, as far as the liquidation of the debts of the London Company was concerned, President Pitt, or the persons he might appoint, were to proceed to Bengal, and exercise controlling powers; it being the opinion of the Court, that the debts could not be considerable, from the very small investments of Bengal goods which had been recently sent to England.

The orders, respecting the separate debts of the English Company, were not less precise; but the conduct of their Council was condemned in strong terms, for having permitted Sir Edward Littleton to run in debt, to the Company, to so great an amount as he had done:—farther, to mark their displeasure at his proceedings, he was dismissed the service, and an order issued to compel him to pay those debts at Calcutta, or to give an obligation to discharge them in England, and, as a public mark of their displeasure, the Court formally revoked the

CHAP. III. 1704-5. the commission by which he had been appointed President in Bengal:—the Council, also, were blamed for having made up their books in the most incorrect manner, and for purposes apparently fraudulent, by entering large sums, on the Company's account, under feigned names. (1)

The China trade narrowed, and Factory at Pulo Condore to be withdrawn.

The Court of Managers, on reviewing the whole of the proceedings of President Catchpoole and the Supercargoes, at the different ports in CHINA, particularly the oppressions they had experienced at Chusan, determined, to use their own words, "as being weary of the trade," not to send out any ship, or Supercargoes, to that port, this season; and to dispatch only the ship Toddington, to Amoy, to endeavour to recover the debt due to the Company, at that port, by Anqua, the Chinese merchant, and to vest the amount, (whatever it might be,) in such goods as were suited to the Madras or English markets; specifying that Teas should have the preference, and, at all events, not to include China-ware in the assortment.

As the Island of PULO CONDORE could only be made a station to which Chinese goods could be brought by junks, and could not furnish, in itself, any produce, being only, according to President Catchpoole's report, an intermediate station

(1)—Letters from the Court of the London Company to the President and Council at Calcutta, 3d and 19th January 1704-5.—— Letters from the Court of the English Company to the President and Members of Council at Hughly and Calcutta, 18th January 1704-5.—— Letters from the Court of the English Company to the President and Council at Fort St. George, 19th January 1704-5.

station for China produce, the Court ordered that this Settlement should be withdrawn, and the guns, stores, and English settlers, sent to BANJAR-MASSIN, in BORNEO, at which port, a strong fortification was to be erected, and the garrison made up from such of the Company's military servants as might arrive from Pulo Condore, or who might be already at Banjar-Massin:—This station was, in future, to be a Presidency, and Mr. Catchpoole, and a Council, appointed to manage it.(1)

Treacherous conduct of Sir Nicholas Waite, in consequence of his provisional appointment as General, should Sir John Gayer continue in prison.

If evidence had been wanting of the impolicy of establishing two rival English Companies, the events at the Presidency of SURAT, in the season 1704-5, fully demonstrated this fact:—After the Union had taken place in England, which did away opposition between the two Companies, the interpretations put on the instructions of the Court of Managers, by Sir Nicholas Waite, discovered, that, instead of obeying them, in their spirit of conciliation, he employed them as a foundation for continuing opposition and animosity, between the servants of the two Companies, when it was the duty of each to have laid them aside, and to bring the trade to the simple form in which it

(1)—Letters from the Court of the English Company to President Catchpoole and Council, at Chusan and Pulo Condore, 18th January 1704-5.

CHAP. III. 1704-5.

it had been carried on, during the period of the London Company.

When these instructions were framed, the Court of Managers were informed of the imprisonment of Sir John Gayer, whose zeal had led him from Bombay to Surat, where, for three years, he had resisted the demands of the Governor, for compensation to be paid, for losses which the Native merchants pretended they had sustained, from the depredations of the pirates; it, therefore, was provided, that should Sir John Gayer remain a prisoner at Surat, when the instructions arrived, or for three months subsequently to that period, then Sir Nicholas Waite, instead of being President at Surat, should act as General, provisionally, and employ his utmost efforts for the release of Sir John Gayer, and for recovering the Security-Bonds, extorted formerly from President Annesley. This ill-judged clause in the instructions offered a temptation to Sir Nicholas Waite, which neither his disposition, nor his habits, could resist. On this occasion, his conduct afforded an example of the misfortune, both to the United Trade, and to the separate concerns of the two Companies, of having entrusted (after so fully approving of the measures of Sir John Gayer) a provisional power with a person, whose violence and ambition, they already knew, had contributed to the failure of Sir William Norris's Embassy.

Sir John Gayer, and the London Company's servants, closely im-

The Governor of Surat, on this occasion, after having seen the animosity between the Agents of the two Companies, began to doubt which of them was the real representative of the English Nation,

CHAP. III.
1704-5.

Nation, and whether Sir John Gayer, or Sir Nicholas Waite, was the chief officer of the United Company, and therefore demanded evidence of the fact from both.

prisoned by the Governor of Surat, from the misrepresentations of Sir Nicholas Waite.

Sir John Gayer, on this emergency, requested Sir Nicholas Waite to send an Agent from the English Company, to meet one from the London Company, that they might together wait on the Governor, and state to him, that Sir John Gayer was the General of the United Company:—instead of complying with this reasonable proposition, Sir Nicholas Waite not only refused to accede to it, but sent an evasive answer, that he would wait on the Governor separately:—he accordingly sent Rustum, his broker, privately to the Governor, to insinuate that Sir John Gayer had been displaced, that he, himself, was the General, and that Sir John Gayer must be confined, and a proper guard placed over the London Company's Factory, if the Mogul Government intended to recover the money for the damages done by the pirates, amounting to eighty lacks of rupees;—and, at the same time, seconded this iniquitous proceeding, by sending him a bribe of twenty-seven thousand rupees.

The Governor, on the presumption that this was the real state of the case, asked Mr. Bonnell, and another Member of the English Company's Council, whether, if Sir John Gayer should be allowed to go to Bombay (as he was no longer General) the English Company would become bound for the debts due by the London Company:—Sir Nicholas Waite, in this dilemma, was satisfied, that if he came under the obliga-

tion,

CHAP. III. 1704-5.

tion, it would be disavowed by the Court of Managers, and if he refused it, he would expose Sir John Gayer to still farther hardships, and act in defiance of the positive orders which he had received, to contribute to his liberation; but he preferred the expedient of refusing to become bound for the debts of the London Company, and left their General to his fate:—the immediate consequence was, that Sir John Gayer, and the London Company's servants, were kept in more close confinement.

Remonstrance of Commodore Harland, and the Deputy Governor of Bombay, on this occasion.

Mr. Burniston, the Deputy Governor of Bombay (who was one of the London Company's servants) and Commodore Harland, who commanded the men of war, on hearing of this event, not only remonstrated, but addressed letters to the Governor of Surat, assuring him that Sir John Gayer was, in fact, the General of the United Company in India, and that the reports of Rustum, and of Sir Nicholas Waite, were not only in opposition to the orders which had been received from the Court of Managers, but absolutely false, and, therefore, demanded that Sir John Gayer might be released.

Alarmed at this intelligence, and afraid lest the ships of war might act offensively, the Governor required, from Sir Nicholas Waite, a Bond of Security, that he would immediately proceed to Bombay, and, in the event of any of the Surat ships being taken, deliver them up. On receiving this Bond, the Governor answered Mr. Burniston and Commodore Harland, that Sir John Gayer must be kept in close confinement, either till all the debts demanded from the London Company should be paid, or till the Mogul's pleasure should be known.

Sir

CHAP. III.

1704-5.

Evasive Report of Sir Nicholas Waite to the Court, on this subject.

Sir Nicholas Waite, by this conduct, was obliged either to act against orders from home, or to incur the risk of the Queen's ships commencing hostilities against the Surat merchants, and had recourse to an artifice, to escape from the consequenees of these dishonorable proceedings. He represented to the Court, that Sir John Gayer's own rashness, in informing the Governor of the appointment of the Court of Managers, had been the source of all his calamities, for had he concealed this circumstance, the separate interests of the two Companies might have been adjusted, and himself released; but having divulged it, it was impossible to carry on trade, till the debts incurred by the London Company should be paid, and all claims on them, since Sir John Child's war, discharged, which were estimated, by the Surat merchants, at the enormous sum of one hundred and forty lacks:—he, also, represented to Commodore Harland, that Sir John Gayer could not act as General, till he was released from his imprisonment; and as the three months had expired, that he (Sir Nicholas Waite) was, in fact, the General of the United Company, and, therefore, protested against any hostilities, by the ships of war, against the Mogul subjects. It was under these circumstances, that an order came from the Mogul to the Governor of Surat, directing that Sir John Gayer, and all the London Company's servants, should be more closely confined.

Sir John Gayer, on this occasion, addressed the Court of Managers, to use some effectual means for his deliverance, such as the Dutch, who had blockaded the port, had done, for the release

CHAP. III. 1704-5. release of their servants, because every effort he could make would prove ineffectual; for whatever bribe he might offer to the Governor would be counteracted by a still greater bribe, from Sir Nicholas Waite, to continue him in prison.

Sir Nicholas Waite takes possession of Bombay, and appoints Mr. Aislabie Deputy Governor.

It has already been mentioned, that Sir Nicholas Waite had given an obligation to the Governor of Surat, to proceed to Bombay, and to liberate any Surat vessels which might be detained, or taken by the Queen's ships; and, for this purpose, he, at this period, applied to Commodore Harland for a passage:—this officer, indignant at his conduct, refused the request, which obliged him to go by Bassein, and thence pass, by a country vessel, to Bombay, where he arrived in the month of November 1704. The Deputy Governor, Mr. Burniston, having died, at this crisis, Sir Nicholas Waite had an opportunity of modelling the Council as he chose, and of giving a specious account of his services to the Court of Managers. In this report, instead of entering on the subject of having fulfilled their orders, for settling the separate and united interests, or of having contributed to the release of Sir John Gayer, from a three years' confinement, he described the miserable situation in which he had found Bombay, and the plans he had adopted for restoring respectability to this seat of the Company's power and trade, on the West of India;—that he had appointed Mr. Aislabie to be Deputy Governor, who had also undertaken the duty of a justice of peace in the Island;—that he had chosen a Council, to assist him in carrying his orders, for encreasing the revenues, into effect;—that he had been obliged to reside in the

CHAP. III. 1704-5.

the castle, till the town should be put in a state of defence, by building a wall round it, and till vessels could be purchased, or constructed, to defend the harbour against the petty pirates;—and that, to save expences, he had postponed appointing a President at Surat, till he should receive orders from England, but had nominated Rustum to be broker for the United Trade.

—his Report on the state of trade in Persia, and on the Malabar Coast.

On the trade to Persia, Sir Nicholas Waite reported, that on hearing of the death of Mr. Owen, the Agent, he had appointed Mr. Lock to be Chief at Ispahan, Mr. Lee to be Second, and Mr. Crowe to be Agent at Gombroon, and had dispatched the Josiah and the Abingdon to Surat, with a cargo estimated at £21,631, to purchase indigo and cloth; and ordered the Abingdon, while this investment was preparing, to go to Mocha, with a stock of forty thousand rupees, for coffee and other goods, and thence return to fill up at Surat:—he farther reported, that he had appointed Mr. Wynch to proceed to Calicut, and Mr. Mildmay to Carwar, to provide an investment in pepper; and, notwithstanding Commodore Harland's conduct, that he would supply that officer with money, on his letters of credit, and would take particular care not to intermix (as Sir John Gayer had done) these advances with his own private accounts, but would not reimburse Sir John Gayer the money which he had advanced to the commander of the Queen's ships.

—his Report on the internal state of Bombay.

Having given this insidious representation of the state of affairs at Bombay, Sir Nicholas Waite concluded his report to the Court of Managers, with stating, that he had estimated the Dead Stock of the London Company, at Bombay, at 1,334,154

 xeraphins;—

CHAP. III. 1704-5. xeraphins;—that it would promote the general interest, to declare Bombay a free port, for five or seven years;—that he had sent to Sir John Gayer, and the Council of the London Company at Surat, the balance of their Dead Stock, amounting to 67,177 rupees, due by the United Stock to the London Company, on the 22d July 1702; and that, in future, a Factor, or two, and a few Writers, would be perfectly sufficient for the management of the United Trade at Surat, as Bombay must be made the centre of their power and trade. For this purpose, he recommended that the garrison should consist of two hundred European soldiers, and fifty gunners, formed into three companies; and as only two of the London Company's servants had accepted offices in the United Service, a supply of Factors must be sent, to become Chiefs at the subordinate Settlements;—that though, as yet, reformation had been partial, he had let the tobacco farm, for the year 1705, at 26,500 xeraphins, which was two thousand more than it had yielded in the preceding year, and the arrack farm at five thousand xeraphins;—and that it was finally for the Court to declare, whether they would acquiesce in the exorbitant demand made by the Portuguese for customs, or whether, if possessed of sufficient force, it would be their pleasure that he should resist the payment of their demands.

The Dutch, by blockading Surat, obtains a promise of release from the Security-Bonds.

While these mixed transactions were pressing equally on the funds and trade of the London, and of the English Companies, and obstructing the establishment of the United Company's trade, the more vigorous measures of the Dutch produced

produced the effect of recovering from the Mogul the Security Bonds, which had been a subject, for so many years, of remonstrance, and of suffering, to Sir John Gayer and the London Company's servants. It was not, however, expected, that the Bonds would be delivered up, till a bribe should be paid to the Governor of Surat, by the respective nations from whom they had been extorted; but the Dutch, instead of giving the bribe, retired from Surat to Swally, off which their ships were at anchor, and demanded a compensation of two millions of rupees, for the sums which had been extorted from their Agents, or to receive eight lacks of rupees, and be permitted to fix a Settlement at "Roan," near Surat, to be liable, in future, only to two and a half per cent. customs, and to have a Phirmaund for a free trade. The Governor of Surat offered to to pay eight lacks of rupees, and promised to procure the Phirmaund; but the business remained in this state, at the close of the season, and the Dutch continued the blockade of the river, till their demands should be granted.

The Queen's fleet return to England.

Sir Nicholas Waite (for Sir John Gayer still remained in confinement) having no force to blockade the river, could only obtain a promise from the Governor to deliver up the Security Bonds, and to use his influence to obtain a new Phirmaund. Commodore Harland, finding that he could neither effect the deliverance of Sir John Gayer, nor act with Sir Nicholas Waite, in conformity to his instructions, sailed with the squadron for England, on the 29th January 1704-5, having, on

CHAP. III. 1704-5. account of the sickly state of his crews, been obliged to impress sixty men from the Island of Bombay.

In this state of affairs, the commercial transactions of the Company were necessarily obstructed; for there is no account given of the investments, except that the ship Katherine had been dispatched from Surat to China, in the early part of the season, with a cargo estimated at two lacks of rupees.(1)

Agent Lock's report on the trade in Persia.

It has already been noticed, that Sir Nicholas Waite, on his arrival at Bombay, on hearing of the death of Mr. Owen, had appointed Mr. Lock to be Chief Agent for the United Trade, in PERSIA:—Mr. Lock, on his arrival, formed a Council from the London Company's servants. His report, in substance, was, that the customs of Gombroon were five years in arrear;—that this circumstance arose from the Persians having observed the Mogul Governors obstructing the English trade, and the Muscat Arabs making prizes of some of their ships;—and concluded, that till some strong measure could be adopted to prevent those evils, the English character, in point of power and resources, must decline;—should hostilities be resolved on, they ought to be preceded by a letter from the Queen, to the King

(1)—Letter from Sir John Gayer and Council, at Surat, to the Court of Managers and to the Court of the London Company, 29th May, 15th October, 30th November 1704, and 24th January 1704-5.—— Letters from Sir Nicholas Waite and Council at Surat, and subsequently at Bombay, to the Court of Managers, and the Court of the English Company, 18th April, 31st May, 23d June, 28th July, 30th November, 30th December 1704, 25th January, 1st and 24th February, 5th and 16th March 1704-5, 29th and 31st March, and 5th April 1705. —— Letters from Mr. Burniston, Deputy Governor of Bombay, and Commodore Harland, to the Governor of Surat, 23d June 1704.

King of Persia, requiring the observation of the Company's privileges, and protection to the trade of her subjects:—this measure was the more urgent, from the advantages which the Dutch had lately obtained in the Persian trade; for since the existence of the competition, between the London and English Companies, the Dutch Factory had not only been enlarged, and rendered nearly as strong as a fortification, but the English Factory had become old, and needed repairs, and, by its appearance, could not but impress the Persian Government, and merchants, with the opinion, that the English did not intend to revive, or to encrease their commerce, either at Ispahan, or at the Persian ports. In the expectation of instructions, the Agent had opened the books of the United Trade, into which all transactions should be carried, subsequently to the 22d July 1702.(1) CHAP. III. 1704-5.

President Pitt's report on the trade on the Coromandel Coast.

In the contrast between the various events which had occurred at Surat, from the intemperate ambition and destructive projects of Sir Nicholas Waite, and the regular and effectual measures for promoting the trade of the United Stock, and the separate interests, on the Coromandel Coast, may be discovered, not only the necessity of the Union, but the advantages derived from the able and decided conduct of President Pitt.

The report of President Pitt, on the trade of the Coromandel Coast, opened with reprobating, in the strongest language, the conduct of Sir Nicholas Waite, and then proceeded

(1)—Letter from the Agent and Council in Persia to the Court of Managers, 30th April 1705.

CHAP. III. 1704-5. ceeded to state, that Fort St. George and Fort St. David had been menaced, by requisitions of presents, backed by appearances, in the field, of numerous Native forces; and that a large supply of soldiers was particularly required at Fort St. David, because the walls having been extended round Cuddalore, an efficient garrison was necessary to protect the Native merchants resorting to the place:—presents, also, to a certain amount, must be given to the officers, in the vicinity of the different stations, on their accession to office, particularly at Vizagapatam, where a bribe had been paid to the new Nabob, of 3,790 rupees.

The trade, notwithstanding the loss of the Company's ship Neptune, in June 1704, off Cape Comorin, (from the wreck of which the Natives had carried off thirty chests of treasure) had, on the whole, improved, by the removal of competition, which had lowered the price of goods, above twelve per cent:—one contract had been made at Fort St. George, for cloth, to the extent of a lack of pagodas, and another at Fort St. David, to nearly the same amount; and, it was hoped, that the investment would, this year, both in reduced prices, and in quality of goods, yield a large profit in England. The President concluded this report with stating, that the revenues were increasing in proportion, as the beetle farm had been let for five years, for seven thousand pagodas per annum, and the arrack farm at three thousand six hundred:—there was, also, every prospect of profitable exchanges, between the Coast and Pulo Condore, so favorably situated for the trade with China, and, in

CHAP. III. 1704-5.

in time of peace, for that with Manilla:—at Fort St. David, also, the revenue had increased, though the vicinity of Pondicherry to Fort St. David and Fort St. George, and its receiving reinforcements by almost every ship, required, particularly during war, (lest the French should attempt the siege of either of the English stations) that the garrisons of those Forts should be augmented, and have officers qualified to command them. (1)

— his opinion on the effect of rendering Bencoolen independent of Fort St. George.

The opinion which President Pitt had formed, in the preceding year, of the inexpediency of rendering Bencoolen independent of Fort St. George, was justified, by the events which occurred at that Settlement, in this season. Considering the Court's letters as their authority, the Agents at BENCOOLEN had acted independently of the Fort, and refused to transmit copies of their general letters, to President Pitt, while they drew bills on Fort St. George, on account of the London Company, to the amount of 56,780 dollars:—these President Pitt returned, protested, as coming upon him without sufficient vouchers; and, at the same time, reprobated their conduct, for neglecting to complete their books, according to his own, and to the Court's orders. The Agent and Council at Bencoolen, in answer, rested on their being an independent station, and that the bills in question were drawn on the United Stock, because it was indebted to the London Company, to the amount of seventy thousand dollars; but as their

(1)—Letters from President Pitt and Council at Fort St. George, and from Mr. Roberts, Deputy Governor of Fort St. David, to the Court of Managers, and to the Court of the London Company, 15th September 1704, 15th January, 8th, 14th, and 15th February, and 6th March 1704-5.

CHAP. III. 1704-5. their bills had been protested, they informed the Court, that they could only dispatch one ship, fully laden with pepper, to England.

In the address of the Agent and Council to the Court of Managers, they gave a favorable account of the Settlement, by stating, that the plantations of pepper were daily increasing, from the Rajahs having encouraged the cultivation, and that, in a few years, Bencoolen would be able to export an indefinite quantity; but this prospect could only be realized, provided a large stock should be transmitted from England, as, from the refusal of the President of Fort St. George, to accept their bills, they would be compelled to sell the Company's pepper to individuals, to supply their immediate wants;—that such stock was the more necessary, as, from the books (as far as they had been made up) it would appear, the United Stock stood indebted to the London Company, in a sum considerably exceeding sixty thousand dollars, and this amount would probably be encreased, when the books should be finally balanced:—York Fort, they added, would require additional works, and the garrison was weak, seven out of thirteen soldiers sent this season, from England, having died on the passage, which had obliged them to apply to the Council of Bengal, for a reinforcement. (1)

The

(1)—Letters from the President and Council of Fort St. George to the Agent and Council at Bencoolen, 27th and 30th May, 20th June, and 3d August 1704.—— Letters from the Agent and Council at Bencoolen to the President and Council of Fort St. George, 24th August 1704.—— Letters from the Agent and Council at Bencoolen to the Court of Managers, and to the Court of the London Company, 23d October 1704, and 1st February 1704-5.

CHAP. III.
1704-5.
Favorable report of the United Council, on the United and Separate Interests in Bengal.

The United Council in BENGAL, in which the vacancies, occasioned by death, had been chiefly filled up by the servants of the London Company, whose experience qualified them for the service, acted, in this season, with more unanimity and better success, than could have been expected, from a coalition of merchants, accustomed to opposition to each other. It is probable, that the exclusion of Mr. Beard and Sir Edward Littleton, from the Council, was the source of this concord; because, in all disputes between the servants of the two Companies, from the first establishment of the English Company in 1698, these Presidents had been in the habit of official and personal resistance to each other's measures; and because the state of the English Company's affairs at Hughly, and subordinate Factories, from having no Phirmaunds, or grants, to protect their trade, induced their servants to avail themselves of the asylum to thier persons and property, which Fort William afforded, at a time when the Duan was employing every expedient to extort money from the Europeans, and, in particular, from the Agents of the English Company.

The great object of the United Council was to obtain from the Duan, a Perwanna for free trade; that is, for enjoying the same privileges which the London Company had originally purchased:—by this expedient, it was hoped, the United Trade might come into possession of the London Company's grants;—a bribe, of fifteen thousand rupees, with this view, had been offered; but the Dutch, from jealousy, proposed to give thirty thousand rupees, which obliged the Council, on this occasion, to assert their privilege

CHAP. III
1704-5.

of being duty free, and of paying only three thousand rupees, per annum, for the three towns, or districts, in the immediate vicinity of Fort William, and to resettle the Factory at Patna, to meet the Court's large order for saltpetre, which could be procured at easier rates, and with more certainty, at that station.

The opposition between the two Companies having ceased, and the small vessels required by each, being no longer necessary, they had been sold, with the exception of three of the London Company's; and the United Company's passes had been given to the country vessels, at the rate of one rupee per ton.

The anticipation of convulsions, when the death of the Emperor should happen, occasioned much uneasiness to the Council, for though the fortifications were improved, and the garrison consisted of one hundred Europeans, the Fort, in the event of a civil war, would require to be strengthened by new works, and the garrison annually supplied with recruits, to defend the only retreat in which the Company's servants, or property, could be in safety; there was, also, danger that the Duan, when he could not extort sums from the revenues of the place, which were increasing by the influx of inhabitants, would attempt to seize on the three towns, or districts, under the protection of the garrison, but the Council were determined not to yield without a struggle.

The United Council intimated to the Court of Managers, that the quantity of English cloths, required for the Bengal Market, must not, in future, exceed the annual value of £6000; and that the other articles, which had usually made up the assortments

for

CHAP. III. 1704-5.

for the Bengal shipping, must be discontinued, till the quantity brought by both Companies, and the Dutch, should be exhausted, and a new demand for them created, otherwise they would not sell at prices that would yield a profit.

The Scipio was, this season, dispatched for England, with an investment estimated at 188,600 rupees, on the separate account of the English Company. The Court's orders, for making up the separate accounts, to the 22d July 1702, having been complied with, by the respective Presidents, the London Company's demands on the United Stock amounted to 53,200 rupees, and the English Company's to 41,000 rupees, which sums had been, respectively, paid to them, on account of the Dead Stock of the United Company. (1)

Report on the Settlements at Banjar Massin and Pulo-Condore.

The report of the English Company's Agents (now become those of the United Company) on the practicability of the trade at BANJAR-MASSIN, in BORNEO, is more favorable, in this, than it had been in the preceding season:—it stated, that the same caution required in the former year, in attempting to build a Fort, was not necessary in this, from the King having granted permission to erect a fortification for their protection, and that they were proceeding, with all possible activity, in strengthening the works:—the situation was not only healthy, but the Chinese, and other country merchants, had intimated their intentions, of

 resorting

(1)—Letters from the United Council at Calcutta to the Court of Managers of the United Company, 10th January, 5th, 12th, and 13th February 1704-5.—— Letters from the Presidents and Councils of the London and English Companies in Bengal to their respective Courts of Committees and Directors, 22d and 26th December 1704, and 3d February 1704-5.

CHAP. III. 1704-5. resorting to it, as soon as it should be rendered sufficiently strong to protect their persons and goods:—when this should be effected, the prospects were great, as the place was healthy, and the soil promising large pepper crops, unless (as had happened in this season) the produce should be injured by excessive rains:—that the country, also, afforded sugar-canes in abundance, which, on trial, produced good sugar; and that arrack could be had for the use of the ships. As an instruction, it would be expedient, that the ships, intended for Borneo, should come through the Straits of Bally, to shorten the passage, or, if the other course should be persevered in, that the exportation should be stopped for a year, till the produce of a whole crop of pepper could be in store.

President Catchpoole, this season, made a favorable report on the state of the Island of PULO CONDORE, and requested a supply of young men, as Writers, with instructions to acquire the knowledge of the Chinese language;—and added, that the Island would soon become a station for the China trade, from which the ships could be dispatched to the different ports in that Empire, to dispose of Europe goods, and to purchase Chinese articles;—that, from his experience, it had been found impracticable to form Factories at Chusan or Amoy, from the duplicity and extortions of the Hoppo and Mandarines; and that China produce could be had at Pulo Condore, from the junks, at as cheap a rate as it could be purchased at the ports of China; and, therefore, he was willing to remain in the management of

of this station, till the pleasure of the Court should be signified to him.(1)

CHAP. III. 1704-5.

Report of the United Interests at St. Helena.

Though the Island of ST. HELENA had been transferred, by the London Company, to the United Trade, and the administration of it vested in the same persons, the Governor and Council stated to the Court, this season, that the books and accounts of the London Company had been balanced, to the 22d July 1702, but that considerable difficulty had arisen in the arrangement of the subsequent accounts; that is, in adjusting the amount of the expences, and whether they ought to be carried to the separate account of the London, or of the United Company.(2)

(1)—Letters from the Agent and Council in Borneo to the Court of Managers, 16th May, 30th September 1704, 1st and 13th February 1704-5,—— Letter from President Catchpoole, at Pulo Condore, to the Court of Managers (without date) 1704-5.

(2)—Letter from the Governor and Council of the Island of St. Helena to the Court of Managers, 25th July 1704.

1705-6.

CHAP. III.
1705-6.
The instructions of the Court of Managers to Bombay and Surat counteracted, by the separate instructions of the English Company to Sir Nicholas Waite.

If the instructions of the Court of Managers, and the orders from the Court of Committees of the London Company to their servants, constituted all the information which has been preserved, respecting the domestic situation of Indian affairs, it would be necessary, only, to state the measures they recommended for perfecting the Union; but when the separate instructions of the Court of Directors of the English Company are compared with them, we discover, that the Union had not extinguished either opposition to their former rival, or rendered them more sensible to their public duty; in examining, therefore, a body of evidence of this description, we must refer to the character of the individuals who managed their separate interests.

In the instructions of the Court of Managers, and of the Court of Committees of the London Company, we discover orders, dictated by experience in a regulated trade, and by the liberality of Merchants; but, in the separate instructions of the Directors of the English Company, to Bombay and Surat, we find the duplicity of Private Traders, and Interlopers (classes of men from whom they had been originally selected) issuing orders, contrary to the principles of the Union, and allowing Sir Nicholas Waite to continue his oppressions of Sir John Gayer:—we must conclude, from such facts, that necessity, alone, had compelled

compelled the Directors of the English Company to agree to the Union, without altering either their original principles or character.

The Court of Managers, though composed of an equal number of members selected from the London and English Companies, in all their proceedings, and in all the appointments which they made for the foreign Presidencies and Factories, were guided by a sense of duty, arising out of the Union, and it is evident, that the experienced servants of the London Company had the preponderance;—hence the Committees, who framed instructions for Surat and Bombay, sent orders to make up the separate account of the Dead and Quick Stock, in connexion with the servants of the English Company, who had a similar duty publicly enjoined to them, respecting their separate stock. Though the Directors of the English Company acquiesced in the business being conducted upon these fair and liberal principles, that the whole might be brought to adjustment, before the expiration of the prescribed seven years, they deviated from them, in this season, by sending counter-orders, in a secret, and, therefore, suspicious manner.

A new Council appointed for Bombay, to act for the general interest, and to obtain the release of Sir John Gayer.

The Courts of Managers, and of the London Company, deeply regretted the long and continued imprisonment of Sir John Gayer, and expressed the most marked disapprobation of the artifice which had been employed to detain him, and his Council, in confinement, in contradiction to the express orders which Sir Nicholas Waite and his Council had received; and, therefore, without entering into an examination of his conduct,

in

CHAP. III. 1705-6. in assuming the office of General, while Sir John Gayer was in confinement, they made the following arrangement, as necessary for a more temperate administration of their affairs:—Mr. Brabourne, the Chief at Anjengo, was appointed Second in Council at Bombay, under particular orders, from the London Company, to examine the inventory which Sir Nicholas Waite had given of their Dead Stock, several articles appearing in it, which ought not to have been carried to that head; and also to concert with Sir John Gayer and his Council, respecting the speediest method of liberating them from confinement, and winding up the separate interests of the London Company:—Mr. Aislabie to be Third in Council; Mr. Goodshaw, Fourth; Mr. Reynolds, Fifth; Mr. Crowe, Sixth; and Mr. Mildmay, Seventh. These nominations gave a balance in the Council, in favour of the London Company's servants, and, from their experience, it was hoped, they would check the intemperate proceedings of Sir Nicholas Waite; and that this balance might continue, they appointed Mr. Penninge, the Chief at Calicut, to succeed Mr. Brabourne, as Second in Council at Bombay, in the event, either of his death or removal. They next re-appointed the Council for the United Trade, at Surat, to consist of the same persons whom they had nominated, on the Union taking place, and issued the most positive orders to Sir Nicholas Waite, to use every effort in his power to obtain the release of Sir John Gayer and his Council, that he might, on his arrival at Bombay, re-assume the administration of the United Company's affairs.

When

CHAP. III. 1705-6. Separate and secret orders of the English Company to Sir Nicholas Waite.

When these instructions of the Court of Managers, and of the Committees of the London Company, for their particular interests, are compared with the separate orders sent to Sir Nicholas Waite, by the Court of Directors of the English Company, the preceding strictures on their conduct will be found fully justified:—they approved of the whole of his transactions with the Governor of Surat, as calculated to prevent their separate interests being "embroiled in the "Security Bonds, and in any demands which could be made on "the London Company:"—they approved of his having assumed the Government of Bombay, as General, and, in this capacity, not having appointed a President at Surat, and only slightly regretted, that differences should continue to subsist between the London and English Companies' servants;—leaving, by these private orders, Sir John Gayer and his Council to continue in confinement, the London Company's estate to be at the mercy of the Governor of Surat, and their servants exposed to all the extortions which might proceed from the orders of the Mogul; that is, they allowed Sir Nicholas Waite to continue in the office of General, and Sir John Gayer to remain in bondage, and aggravated these harsh measures with a separate order, that the claims of the London Company's servants for salaries, during their confinement, should be rejected, because such salaries could not be carried to the United Stock; though, in the Deed of Union, all salaries were to be paid from it, subsequently to the 22d July 1702. It is remarkable, on this subject, that the Directors, who issued these separate orders, were Members of

 the

CHAP. III. 1705-6. the Court of Managers, and consented to the nominations which have been specified, but in their secret orders, they desired Sir Nicholas Waite to be careful, that the number of the English Company's servants should be equal to those of the London Company, in the United Service:—it is not less remarkable, that the principles of these Directors were secretly the same with those of Sir Nicholas Waite, for they encouraged him to continue himself in power, by every practicable artifice, and to preserve to the English Company a decided superiority in the United Council; while the very same men, as will immediately appear in their separate instructions to the Coast, neither ventured to approve of Sir Nicholas Waite's conduct, nor to risk such insidious orders to the United Company's servants; an honorable proof of the impression which the high and manly character of President Pitt had produced, who would have spurned at the least attempt, in the English Company, either to act on selfish principles, or on principles incompatible with the Union.

Amount of shipping arrived this season.

It could not have been expected, that the arrivals of the United Company's ships would have been so numerous, as, in fact, they were in this season, *viz.* the Regard, from Surat; the Tavistock, Duchess, Sydney, and Scipio, from Coast and Bay; the Kent, from China; and the Anna, from Bencoolen; with the London Company's ship Marlborough, from Surat; and the English Company's ships, Chambers, from Fort St. George, and the Samuel and Anna, from Bengal.[1]

The

(1)—Letters from the Court of the London Company to Sir John Gayer and Council at

CHAP. III.
1705-6.
President Pitt's general and separate authority confirmed.

The Court of Managers having the most satisfactory evidence of President Pitt's conduct at FORT ST. GEORGE, in carrying their orders, respecting the Union, into effect, confirmed his authority; the Committees of the London Company did the same, and gave him, not only at Madras, but in Bengal, a control over their separate interests; and what was highly honourable to him, the Directors of the English Company applied to him, as the only person who could rescue their interests on the Coromandel Coast, from the embarrassments in which they had been left, by Consul Pitt and Mr. Tillard.

To this general approbation we have, therefore, this season, to add the separate instructions, first of the London, and next of the English Company :—The Committees of the London Company approved of the manner in which President Pitt had wound up the remains of their estate in India, and desired, that after payment of their separate debts, the surplus might be invested in the finest Coast and Bay goods. As there still remained a debt in China, due to them by Anqua, the Chinese merchant, amounting 77,457 tales, by the accounts of Mr. Roberts and Mr. Dolben, the Supercargoes, President Pitt was directed to use every effort for the recovery of this sum, which, if effected, it was expected (with the seventeen thousand pagodas which had been paid, out of the thirty-five thousand due by the Native merchants on the Coast, and the payment by the United

 Stock

at Surat, 8th March 1705-6.—— Letter from the Court of the London Company to Commodore Brabourne at Anjengo, 21st March 1705-6.—— Letter from the Court of the English Company to Sir Nicholas Waite and Council at Bombay, 12th March 1705-6.

CHAP. III. 1705-6. Stock to the London Company, of a debt in Bengal, amounting to 53,215 rupees,) would enable him to clear off all claims on the London Company. Their separate interests in Bengal, they also ordered, should be under his management, as that Presidency, (so far as regarded them,) remained subordinate to the President and Council of Fort St. George, and no President, for the separate affairs of the London Company, was to be appointed after Mr. Beard:—that their debts might be more effectually and speedily liquidated in Bengal, they sent £12,000, in bullion, to be coined into rupees, at the Fort, and transmitted to Bengal to clear off all demands:—as their separate interests, also, continued unsettled at Bencoolen, they explained, that though the Court of Managers had, for the promotion of trade, made it an independent station, the Committees of the London Company never intended, or had made it independent of the Fort, therefore, (as far as regarded their separate affairs,) they disapproved of the conduct of their Agents at that station, for having acted upon this principle, and empowered President Pitt to send persons, to examine, and report on their accounts, and prohibited him from accepting any bills drawn from thence, on account of the London Company.

The Directors of the English Company, on their separate account, ordered Mr. Raworth, who had been one of their Council at Masulipatam, and who had succeeded to the management of their interests, on the resignation of Mr. Tillard, to make up a

CHAP. III. 1705-6.

a particular account of all transactions at Masulipatam, during the administration of Consul Pitt and Mr. Tillard, that they might discover the extent of their misconduct, and the reasons of their having paid bills, to a large amount, to the Native merchants :—on these subjects they blamed President Pitt and his Council, for having allowed the demands of those Native merchants to be paid, with interest, without having previously ascertained the frauds which had been committed by them, in making up their accounts, and for having allowed Mr. Tillard to draw on the Court for the amount, at the rate of ten shillings and six-pence, instead of the current rate of nine shillings, the pagoda; which fraudulent bills they had been obliged to return protested, as well as those drawn on account of the estate of the late Consul Pitt. By a separate order, they directed Mr. Faunce and Mr. Baker, two of their servants, who had been left in charge of their affairs at Masulipatam, to deliver up to Mr. Raworth all their remaining goods and effects, who was authorized to dispose of them, on the English Company's account.(1)

Separate orders to the Agents at Bencoolen, &c.

In a separate instruction to the Agent and Council at BENCOOLEN, it was explained, in conformity to the preceding instructions sent to President Pitt, that it never had been the intention of the Court of Committees to render that station independent

(1)—Letter from the Court of the London Company to the President and Council of Fort St. George, 12th February 1705-6, and separate Letter to President Pitt of the same date.—— Letters from the Court of the English Company to the President of Fort St. George, and their servants on the Coromandel Coast, 2d March 1705-6.

CHAP. III. 1705-6. independent of Fort St. George, as far as related to their separate affairs, and that their conduct, in having, under this misapprehension, neglected to make up the separate accounts of the London Company, to the period of the Union, would not be a recommendation to the Court of Managers, to vest them with such authority; meantime, they ordered, that the accounts should be settled, as speedily as possible, and the surplus invested in pepper, and sent to England, on the United Company's ships.(1)

General and separate instructions to the United Council in Bengal.

The orders of the Court of Managers, this season, to BENGAL, all go to one point, that of ascertaining the relative ranks of the servants of the London and English Companies, constituting the Council:—those of the London Company were to hold the First, Third, Fifth, and Seventh places; and those of the English Company, the Second, Fourth, Sixth, and Eighth places; and, in case of a vacancy, these stations were to be filled by Mr. Master, Mr. King, Mr. Adams, and Mr. Darell:—the chair to be taken, weekly, by the two senior Members, alternately:—the Council, thus constituted, were to dispose of the separate goods of the two Companies, which might remain unsold, to complete the winding up of the Separate Interests, that the whole of the trade might, in future, proceed on the United Stock, and money was to be remitted from the Fort, to facilitate this measure:—farther, they were to use their best endeavours, to render the United Company's "dusticks,"

(1)—Letter from the Court of the London Company to the Agent and Council at Bencoolen, 4th April 1706.

"dusticks," or passes, as efficient in Bengal, as those of the London Company formerly had been; because this would do more to conciliate the inhabitants of Calcutta, and the adjacent towns, to the administration of the United Council, than keeping up the distinction between the London Company's passes, and the precarious grants to the English Company. CHAP. III. 1705-6.

The separate instructions, regarding the London Company's affairs, repeated the order for their being under the control of President Pitt, at Fort St. George, or such persons as he might vest with this authority; and conveyed a disapprobation of the conduct of Mr. Beard, for not having more fully ascertained the debts owing by the London Company, particularly the amount of the bills drawn on them, by the Armenian Merchants; for not having recovered the debts due to them at Cossimbuzar; and, in general, for not having sent home their books, and a full statement of their affairs, while those of the English Company had been, for some months, in the hands of their Directors.

The separate instructions, regarding the English Company, approved of their servants having withdrawn the subordinate Factories, and ordered, that the debts due by Sir Edward Littleton, should be recovered from him, in India, as he had little, if any property, in England:—on the same principle, they were blamed for not having recovered the debts due by the late Mr. Landen, Chief of Borneo, who, at his death, was found to have no property in England. Any surplus which might remain, after

CHAP. III. 1705-6.

after defraying all charges, was directed to be invested in fine Bengal muslins, particularly doreeas.(1)

Separate orders of the English Company to the Agents in Borneo.

The Court of Managers, in the preceding season, having relinquished the CHINA trade, as impracticable, and having ordered the Settlement on PULO CONDORE to be evacuated, and the garrison and stores to be transferred to BANJAR-MASSIN, which was to be fortified, and held as a port and station for the pepper trade, under the administration of President Catchpoole and his Council, did not, in this season, take up shipping for that quarter. The Court of the English Company, however, at this time, required an exact account to be transmitted, of all expences and disbursements, incurred or made at Banjar-Massin, since the 22d July 1702, and that whatever surplus might remain of their stock, should be invested in pepper, and sent home on the United Company's ships:—they complained, also, that the pepper which they had received, was not only of bad quality, but that the delay, in dispatching the ships, had occasioned a heavy loss in demorage, and added, that having been informed Sir Edward Littleton had been engaged in the illicit trade of sending Bengal goods, on his own account, in country ships, to Borneo, such goods should be seized, and the value of them carried to the English Company's account.(2)

To

(1)—Letter from the Court of the London Company to the President and Council of Fort St. George, and to the United Council in Bengal, 12th February 1705-6.—— Letter from the Court of the English Company to the United Council in Bengal, 21st February 1705-6.

(2)—Letter from the Court of the English Company to the President and Council at Banjar-Massin, in Borneo, 9th March 1705-6.

CHAP. III. 1705-6.

Bombay threatened by the Mogul and Mahratta armies, and the port of Surat blockaded by the Dutch.

To bring the foreign transactions of this season into view, we have, as far as regards BOMBAY and SURAT, first to trace the political events which affected the Native Powers, and consequently the trade of the United Company; next, the measures of the other European Companies, particularly the Dutch; and, lastly, the line of conduct which Sir Nicholas Waite observed, and its influence on the situation in which Sir John Gayer, and the London Company's servants and separate interests, were placed.

From Sir Nicholas Waite's letters, as well as from the information given by Sir John Gayer, it appears, that the Governor of Surat was equally indisposed against all the European Companies;—that he had proceeded with a considerable force, against the Portuguese Settlement at Daman, in order to obtain compensation for two Surat ships, which had been taken between Surat and Carwar, by order of the Viceroy of Goa;—that he had demanded thirty thousand rupees of the Portuguese, as a compensation, while they had required of him treble that sum, to make up the losses their trade had sustained, by the depredations of the Mogul soldiery:—If the Governor of Surat had been successful against Daman, and had not been obliged to return, when the Dutch fleet appeared off Swally, the Island of Bombay (described as having only forty European soldiers for its defence) would have been exposed to invasion, and Sir

CHAP. III. 1705-6. Nicholas Waite to a similar imprisonment with Sir John Gayer.

It appears, next, from the same authorities; that six Dutch ships had arrived off Surat, and blockaded the port, on which the Governor ordered the Members of the English Council to be confined within the city, and supplies of provisions and water withheld from the shipping; the port, therefore, during this period, was more than ever shut against trade, and the Governor continued to refuse to clear the Company's goods at the Custom-house:—As the Dutch could not obtain, either freedom of trade, or security to their Factors, they made prizes of Mogul ships, (on abandoning the blockade, on the 30th March 1705,) to the value of two millions of rupees.

From the same authorities it appears, in the third place, that the Mogul's army, in December 1705, was within three days' march of the Coast, opposite the Island of Bombay, and that Sir Nicholas Waite was in such an alarm for the safety of the Company's property, that he landed the money and goods, brought by the Josiah from Persia, and lodged them in the castle;—that the country, in the vicinity of Surat, was in equal alarm, the villages having been plundered by the Mahrattas, who, with an immense force, had defeated the Mogul's army, near Ahmedabad, and subsequently, in April 1706, invested the City of Surat, for nine days, which had been preserved, only, by the Governor throwing up entrenchments round it, and the enemy not having cannon, and but a small proportion of fire-arms;—and that, in their retreat, the Mahrattas levied

CHAP. III.
1705-6.

levied contributions on Broach, and plundered and burned most of the towns and villages, situated between it and Surat.

These convulsions, instead of subsiding, continued during the whole season, the Mogul's state of health being reported to be very weak, and his death daily expected.

The insidious proceedings of Sir Nicholas Waite discovered by Rustum, the English Company's Broker.

Under these circumstances, we have to follow Sir Nicholas Waite, pursuing the same measures which had marked his conduct in the preceding year:—While he was President at Surat, Rustum, whom, from his first arrival, he had employed as broker, continued, from interested motives, attached to his views; but after he assumed the office of General at Bombay, this cautious Native, discovering that his object was to make that Island the centre of trade, explained to Mr. Bonnel and Mr. Proby, the English Company's servants at Surat, that Sir Nicholas Waite had promised to give him fifty thousand rupees, to use his influence with the Governor, to keep Sir John Gayer confined, which sum was to be paid to him, individually, by advances on the prices of the Company's goods, to that amount. When Sir Nicholas Waite was informed of this conduct of Rustum, he dismissed him from the English Company's employment, notwithstanding the United Trade was then indebted to him 140,000 rupees, and the separate Companies 550,000 rupees; and if the Surat Council had not prevailed on the merchants to take their bills, the whole property of the English would have been seized.

Opposition of the Council of Surat to Sir Nicholas Waite's measures.

This state of affairs, between Sir Nicholas Waite and Mr. Proby, could not but produce animosities:—the former began with protesting

CHAP. III. 1705-6. protesting against the conduct of the latter, and of Mr. Bonnel, and they retaliated, by declaring, in their letters to the Court, that it was impracticable to procure regular investments, under the contradictory orders which Sir Nicholas Waite sent to them, and, in fact, it was impossible to execute them; and, therefore, unless Rustum should be restored, they neither could be responsible for the Company's property, nor their own liberty.

Under such an administration, it may be easily supposed, that neither the stock of the United Company could be safe, nor their investments forwarded; and farther, to second their application in favor of Rustum, Mr. Proby and Mr. Bonnel accused Sir Nicholas Waite of procuring goods, at cheaper rates for himself, than for the Company, and of having purchased one hundred and forty-four bales of indigo, on his private account, contrary to the positive orders of the Court.

Sir John Gayer, and the London Company's Council, during these transactions, continued in confinement, and the trade to Persia, over which he had, for so many years, had the control, was at a stand, from the death of Mr. Prescott, who had brought the Queen's letter, and the presents to the King.

—His report on the defenceless state of Bombay, at this crisis.

While affairs at Surat were in this embarrassed state, Sir Nicholas Waite described Bombay to be protected by a very weak garrison, eight recruits, only, having arrived in the ships of the season, and that the three Gentoo companies had been disbanded, for neglect of duty, and disobedience of orders;—that he had discharged the Subahdars, and incorporated the men into other companies, and, therefore, requested that a reinforcement

ment

ment of two hundred European soldiers for the garrison, with a double number of officers, should be sent from England; —his resources, also, were equally deficient, for the Mogul had refused to allow a mint to be established, which had obliged him to form one in Bombay Castle, to prevent the stoppage of the circulating coin; and, at the close of the season, that the trade at Surat was so completely at a stand, that he had been obliged to order two of the Company's ships to blockade the port, to prevent any of the country vessels putting to sea, till the Governor should allow the goods to be laden, and also to detain all country vessels having English passes, and take out the English seamen found on board of them.

CHAP. III. 1705-6.

The dependencies on Bombay appear to have been equally neglected, for Mr. Brabourne, the Chief at Anjengo, not having received, either instructions from Sir Nicholas Waite, or stock for an investment, had delivered over the Fort to the next in Council, and proceeded to Madras, while the trade with the lower Malabar Coast was, at this early period, harrassed by Conagee Angria, described to be "a Sevagee," or Mahratta pirate.

Amount of the investments from Bombay and Surat.

The only vessels which were stated to have been dispatched for England, this season, were the Mary, and the Katherine, with investments estimated at 548,200 rupees; and even these could not have been laden, or dispatched, had not the Surat Council acted without obeying the orders of Sir Nicholas Waite.(1)

The

(1)—Letters from Sir John Gayer and Council at Surat to the Court of Managers and Committees

CHAP III.
1705-6.
Death of Agent Prescott, in Persia, and decline of the English trade and influence in that kingdom.

The description given in the communications from PERSIA, in this season, of the decline of the trade at Ispahan and Gombroon, and of the arrears of customs due at the latter place, now amounting to 5,981 tomands, appears to have been anticipated by the Court, in their appointment of Mr. Prescott to be Chief, and in the adoption of the expedients of a letter from the Queen to the King of Persia, and a suitable present, to conciliate his favour:—the appointment of Mr. Prescott affords evidence, that the Court were dissatisfied with the selection which had been made by Sir Nicholas Waite, though they continued Mr. Owen to be Chief at Gombroon:—Mr. Prescott's death, at "Asseen," in Persia, on the 1st of November 1705, (three months only after his arrival,) again placed the Persian trade of the United Company, under the same persons whom Sir Nicholas Waite had appointed for the management of it. From the reports which these Agents made, this season, on the state of the trade, and the arrears of customs, it appears, that the oppressions of the English by the Mogul officers, at Surat, had lowered the opinion of the English power and resources, in the estimation of the Persian Court and officers:—the event of the taking of Ormus, which had first raised it, was forgotten, because that naval force, with which the English

Committees of the London Company, 22d January, 2d February, 31st March, 1705-6, and 13th April 1706.—— Letters from Messrs. Proby and Bonnel at Surat to the Court of Managers, 12th December 1705, and 15th January 1705-6.—— Letters from Sir Nicholas Waite and Council at Bombay to the Court of Managers and Directors of the English Company, 16th August, 14th and 27th November, 4th, 7th and 26th December 1705, 15th and 31st January 1705-6, and 18th April 1706.

English had protected the Persian pilgrims going to Mecca, had been withdrawn, and the ships, conveying them, taken by the Arab pirates; and because, though the presents had arrived for the King of Persia, the splendor and show, which ought to have accompanied them, was wanting; and, even had Mr. Prescott lived, it would have been better to have presented them, "through "an honorable Agent, than a poor Ambassador;" more particularly, when the late vigorous measures of the Dutch, at Surat, were known in Persia, and an opinion entertained, that their naval force, should it be directed against the Arab pirates, would be sufficient to crush them. Large, however, as the arrears of the Gombroon customs were, there remained only two expedients for the recovery, either of the proportion which belonged to the London Company, or of that which, by the Deed of Union, was transferred to the United Company, *viz.* the employment of force, or giving large presents to the Persian officers, as an encouragement for their liquidation:—the first, the Agent recommended as the most efficient method; the second, he represented as exceeding both his authority, and his means, to give. It remained, therefore, to Agent Lock, to try by negotiation, whether he could obtain a Rogom, or an order from the King, for the recovery of them.

This description of the state of the English affairs, in Persia, is accompanied with an account of the Dead Stock at Gombroon, Ispahan, and in Caramania, amounting to 121,371 shahees, with a recommendation to the Court to give authority for the employment of "Auga Doud," the old broker, whose interest at the Persian Court

CHAP. III. 1705-6. Court was so great, that he was better qualified, than any other person, to obtain a Rogom, for payment of the arrears, or for the revival of those rights, which the London Company enjoyed, previously to the appearance of the English Company's Agents in Persia.

On the subject of the trade, the Agent informed the Court, that the most proper season for disposing of cloths, in Persia, was between the months of September and March, in each year, and that, from the most accurate observation, 4,800 pieces of cloth, coarse and fine, could annually be sold at Ispahan, if the Company had the exclusive trade in that article, in their power; but that the sale of half that amount, only, could be depended on, while imports continued from Aleppo and Muscovy:—the project of bartering cloth, for silk, had been found not to answer, from the King's high duties upon the latter article, and, therefore, both silk and Caramania wool must be purchased with money, arising from the sale of cloth, or by such proportion of stock, as the Court might be disposed to invest in those articles. (1)

President Pitt's report on the approaching civil war on the Coast of Coromandel;

A continuation of similar events with those which had occurred in the preceding season, appears in the reports from FORT ST. GEORGE, and the other Settlements on the COROMANDEL COAST, respecting the Native Powers, and the Europeans having Forts, or trade, in that quarter of the Company's limits. President Pitt, informed the Court (and to his firm, but cautious measures

(1)—Letters from the Agents and Councils at Ispahan and Gombroon to the Court of Managers, 26th and 29th August, and 2d December 1705.

measures may be ascribed the safety of the Settlements and trade) that the general war which had been apprehended, on the Mogul's death, had, hitherto, from that event not having yet happened, preserved the provinces from the devastations anticipated, when hostilities should commence, and had precluded the successive Nabobs, from that open resistance, to which they were encouraged, by the relaxed state of the Government;—that, however, no attack had been made on the three English towns in the vicinity of Fort St. George, but if such attack should take place, he was determined to defend them to the last.

The competition in trade between the European Companies, President Pitt intimated, was again reviving, as the Dutch, Danes, and French were extending their dealings, on the Coromandel Coast, and the English men of war had returned, without suppressing the pirates; while the Arab cruisers continued to infest the Coast, and were taking every ship they could overpower; and if some effectual measures should not be adopted, the country trade must be ruined.

The French at Pondicherry, as noticed in the preceding season, were described to be continually receiving re-inforcements from Europe, while Fort St. George had, this season, been supplied with three recruits, only, and many of the covenanted military servants of the Company, were pressing for their discharge; President Pitt, therefore, urged the necessity of a large supply of European recruits, both to enable him to defend the Fort, Fort St. David, and Cuddalore, against any attack which the French might meditate, and to preserve order among the inhabitants,

CHAP. III. 1705-6.

inhabitants, who were daily encreasing; and added his intention to resign the Government to Mr. Roberts, in September 1706, though he had resolved, should the Mogul die before he heard from the Court, to continue in the Presidency, till farther orders. In this season, the Somers, Fleet Frigate, and Westmoreland, were dispatched for Europe, with full cargoes.

— on the separate affairs of the London Company;

On the subject of the separate interests of the London Company, President Pitt informed their Court, that President Beard, who had come round from Bengal, died at Madras, on the 7th July;—that the United Company were indebted to the London Company, 84,710 pagodas, at Fort St. George, and, in Bengal, 53,215 rupees;—that their accounts were nearly balanced, and the debts owing by them, paid at Madras; and that he hoped to send home their remaining goods by next shipping, which would completely wind up their affairs; but that, in Bengal, Messrs. Games and Petty, who had been sent by him to examine their accounts, would experience great difficulty in procuring money to pay off the debts;—that there was no probability of recovering a penny of Anqua's debt in China;—and, on the whole, that he had sent home 2,126 pagodas on their separate account.

— and on those of the English Company.

On the subject of the separate interest of the English Company, he informed their Directors, that Mr. Fraser and Mr. Wright had minutely examined the claims of the Native Merchants, and their accounts, from the commencement of the late Consul Pitt's transactions with them; and it appeared, on the whole, from the competition between the two Companies,

CHAP. III.
1705-6.

panies, and the greater influence and amount of stock which the London Company possessed, that it was not practicable for Consul Pitt to have purchased the goods at cheaper rates, than the prices for which he had actually contracted; nor was it possible to induce those Merchants to agree to any abatement in their demands; he would, therefore, rather recommend to this Court, to send out the value of £10,000 in broad-cloth, and apply the amount of the sales to discharge the debts due to those Merchants, than to borrow money in the country, which could not be obtained at a less rate than eleven shillings, sterling, the pagoda. (1)

Mr. Ridley's report on the state of trade at Bencoolen, in winding up the separate interests of the London Company.

In the report transmitted to the Court, from BENCOOLEN, the dispute, respecting its independence on Fort St. George, disappears; the melancholy relation, however, of the mortality among the servants, (Mr. Watts, the Governor, three civil servants, and forty-one slaves, having died,) and of the fortifications having suffered much from an earthquake, with the account that the old plantations of pepper had decayed, and those lately planted not having come to the perfection, when crops could be expected, would explain the source of the request of Mr. Ridley (who had succeeded to the Government) to the Court, for a large supply of stores of every kind, for recruits to augment the garrison, a good engineer to direct in repairing and completing

(1)—Letters from the President and Council of Fort St. George to the Court of Managers, and to the Court of Committees of the London Company, 1st and 10th October 1705, 9th, 26th, and 28th January, 4th, 9th, and 20th February 1705-6.——Letter from Messrs. Fraser and Wright to the Court of the English Company, 30th January 1705-6.

CHAP. III. 1705-6. completing the fortifications, and a number of slaves to work on them. Mr. Ridley concluded with stating, that he had given encouragement to the Chinese, whom he had found to be industrious and useful, but that he had been able to send home only one ship, laden with pepper, this season:—having balanced the account of the debt due by the United Trade, to the London Company, amounting to 86,550 dollars, he had invested the half of that sum in pepper, on the account of the London Company, in part payment of this debt. (1)

United Council in Bengal purchase the full exercise of the London Company's rights.

As the orders of the Court of the English Company, for the dismission of Sir Edward Littleton, from the office of President in BENGAL, had, this season, been communicated to him, he had delivered up his books; and President Beard haivng gone to Madras, and accounts been received of his death, the same unanimity appears to have prevailed in the United Council at Fort William, which had enabled them, in the preceding year, to restore the trade to a better condition, and to take measures for winding up the separate concerns of the two Companies. When the vacancies occasioned by the death of Mr. Beard, and the dismission of Sir Edward Littleton, happened, it was expedient, that persons should be appointed, who were in Council, to take charge of the separate interests of the two Companies. Mr. Sheldon, for the London Company, and Mr. Hedges, for the English Company, had been nominated to these

(1)—Letters from the Governor and Council of York Fort, Bencoolen, to the Court of Managers, 8th August, 20th October 1705, and 4th January 1705-6.

these duties, and a civil servant, from each Company, had been taken into the Council, to fill up the vacancies occasioned by these nominations.

The general object of obtaining for the United Trade, the advantages of the grants which the London Company had enjoyed, had been persevered in, and an agreement made with the Duan, for twenty thousand rupees, to allow the United Company to proceed on this basis.

The whole of the United Stock and Trade had been removed to Calcutta, and the garrison, which had, this season, received a reinforcement, under Lieutenant Woodville, of sixteen soldiers, now consisted of one hundred and twenty-nine, of which sixty-six were European soldiers, exclusive of the gunner and his crew, which, at this period, constituted the whole of the Company's Bengal Artillery.

Report on the favorable state of the United and Separate Trade in Bengal.

On commercial affairs, the Council reported, that they had complied with the Court's orders about saltpetre, of which they had thirty-seven thousand maunds in store, at Patna, and four thousand maunds, at Hughly, and had sent sixty thousand rupees to Patna, to provide this article, for the next year's shipping. Towards the close of the season, they intimated, that they had continued the Factory at Patna, for some months, that they might procure saltpetre of the finest kind, and had made up the funds, for that purpose, to 76,550 rupees; and laden on board the ship Union, on the separate account of the English Company, goods estimated at 188,576 rupees, and dispatched the

CHAP. III. 1705-6.

the Herne, on the United Company's account, with a cargo, amounting to 225,018 rupees.(1)

Report on the state of trade at Banjar-Massin.

The report on the state of trade at BANJAR-MASSIN, in BORNEO, which, on the whole, was rather favourable in the preceding season, continued, in this, to give hopes, that this Settlement would be placed in security, and that pepper, its staple produce, would become a valuable import of the United Trade. A grant had been obtained from the King, for a free trade, without any objection being made to the fortifications which were carrying on, for the defence of the Factory and port; but the Natives were inimical, notwithstanding this grant, and as the season advanced, manifested their aversion so strongly, that a supply of soldiers was absolutely necessary, there not being above eighteen European soldiers, fit for duty, and the whole Europeans in the Settlement not exceeding forty in number; a force which was inadequate, when it was considered, that four hundred people were at work on the fortifications.

The garrison at Pulo Condore massacred by the Malays, and the station lost.

At the close of this year, the most afflicting accounts reached Borneo, of an insurrection, by the Malay soldiers, on the Island of PULO CONDORE, on the 2d March 1704-5:—these revolters first set fire to the Company's warehouses, and then murdered President Catchpoole, and the greatest part of the English

(1)—Letters from the United Council in Bengal to the Court of Managers, 30th November 1705, 17th January, and 15th February 1705-6.—— Letters from the Separate Council for the English Company to the Court of Directors of that Company, 5th and 28th December 1705.

English on the Island. To this treachery the Malays were supposed to have been instigated by the Cochin Chinese, that they might get possession of the remainder of the Company's treasure, estimated at twenty-two thousand tales Mr. Baldwin, one of the Factors, who escaped this massacre, after many hardships, arrived at Banjar-Massin, on the 18th January 1705-6; but he was ignorant of the fate of the surviving English on Pulo Condore, and supposed that the Company's books must have been burnt with their warehouses.

Such was the fate of a Settlement which President Catchpoole had projected, and which the Court of Directors of the English Company formed, on the presumption that it might become a market for the sale of English goods in China, and for obtaining China produce, without being exposed to the vexatious oppressions of the officers in the ports of that Empire. The effect of this event on the new establishment at Banjar-Massin, it was apprehended, might be serious, and, therefore, the Agent repeated his request for a supply of twenty cannon, and of soldiers sufficient to make up a strong garrison; the re-inforcements from Pulo Condore, on which they had more immediately depended, having been, thus, unfortunately cut off.

The report on the pepper trade of Banjar-Massin, in substance, was, that though the crop had been abundant, the price was high, owing to the number of Chinese junks which were frequently arriving, and purchasing it, and that it was doubtful, whether the Agent and Council would be able to fill up the six ships which had arrived from Europe,

amounting

CHAP. III. 1705-6.

amounting, together, to sixteen hundred and fifty tons;—he, therefore, submitted, that two ships, only, should be appointed for this port, in the subsequent season:—that, however, if sufficient stock should be sent, he would be able to purchase the whole cargoes of the Chinese junks, and thus engross the trade in pepper; but that fifty thousand dollars would be necessary for this purpose, and an annual supply of ten thousand dollars, in Coast and Bay goods, which might be disposed of, in Borneo, with advantage.(1)

(1)—Letters from the Agent and Council at Banjar-Massin, in Borneo, to the Court of Managers, 28th May, 2d June, 7th and 8th October 1705, 31st January, 4th February, and 23d March 1705-6.—— Letter from Mr. Baldwin to the Court, giving an account of the Massacre at Pulo Condoré, dated Banjar-Massin, 14th February 1705 6.

1706-7.

CHAP. III. 1706-7. General instrucions of the Court of Managers to President Pitt.

As the records of the Company, in their capacity of Managers of the United Trade, or of Committees of the London Company, or of Directors of the English Company, do not afford any evidence of the actual state of their affairs, at Bombay, or at Surat, or at any of their dependencies, it is probable, their general Letters had not reached England, this season.

The confidence, however, which the Court had reposed in President Pitt and his Council, at Fort St. George, having been fully justified, by his conduct in the management of the United Trade, by his attention to the separate interests of his old employers, the London Company, and by the frequent appeals to his decision, by his former opponents, the English Company, we are prepared to examine the instructions he received, from each, for completing that adjustment of Indian affairs, on which he had, already, with so much talents and probity, been proceeding.

The Court of Managers, though they approved of President Pitt's general conduct, were rather dissatisfied with his accepting bills, drawn on the Fort, by the Governor and Council of Bencoolen, in favor of individuals, to the amount of 61,162 dollars, and in favor of the London Company, to

CHAP. III. 1706-7. the amount of 60,855 dollars, conceiving that his powers of control did not extend to, or authorize such acceptances:—they required, also, that several errors in the accounts due, by United Stock, to the London Company, amounting to 84,710 pagodas, might be examined and rectified; assigning, as a reason, that, in several instances, there were mistakes in the charge of Quick Stock, instead of Dead Stock, and *vice versa*; and, also, that he had omitted to attend to an inaccuracy in the interest charged on these debts, both at Madras, and in Bengal: —at the same time, they intimated, that they had referred to him, to consider the account and inventory of Dead Stock, and to take care, that the part which had been assigned by the London Company to the English Company, by the Indenture Tripartite, namely, "all manner of stores, ammunition, guns, provisions, and "other things belonging to the Forts and Factories," should not be charged to the United Stock; and then informed him, that the United Company's ships, Somers, Fleet Frigate, Toddington, Josiah, Streatham, Eaton, Donnegal, Herne, and Wentworth, had safely arrived in Ireland, on the 12th November 1706.

Separate instructions of the London Company to President Pitt.

The orders of the Court of Committees of the London Company, to President Pitt, for winding up their separate affairs, were, in substance, an approbation of the preceding payments, as being made agreeably to the Deed of Union, by which each Company were declared to have a right to get in their effects in the best manner they could; and they continued him in the control of all their separate affairs in Bengal, and desired him to send the surplus of their stock on the Coast, to that

that Presidency, in dollars, or rupees, to be invested in muslins and raw-silk, because Coast goods sold, in England, with inconsiderable, if any profit. As their separate interest had not been properly wound up in Bencoolen, President Pitt was desired to continue his attention to that subject.

CHAP. III. 1706-7.

—His instructions from the English Company.

The instructions of the Directors of the English Company, to President Pitt, in substance, were, that, to prevent all trouble in winding up their accounts, they had paid the bills drawn on them, from Masulipatam, but given a controling power to him, over all the measures which their servants might devise for settling their affairs;—in particular, that he was to get all the Bonds of the Native Merchants cancelled, by disposing of the English Company's separate effects and goods, and applying the proceeds to the liquidation of debts;—and, should the sum not be sufficient, he was to borrow money on their account, on the best terms he could, and draw bills on them for the amount. After acknowledging his services, in examining the late Consul Pitt's accounts, whom they still suspected of having defrauded them, in his contracts with the Native Merchants, they requested, that this business might be adjusted, and also, that he might determine, upon what part of their debt, to the United Company, interest ought to be paid.[1]

A new Governor and Council appointed for Bencoolen, to report on the United

Conformably to the resolution of the Court of Managers in the preceding year, disapproving of the proceedings of

4 I 2 Governor

(1)—Letters from the Court of Committees of the London Company to President Pitt and Council at Fort St. George, 5th July 1706, and 7th February 1706-7.—— Letters from the Court of Directors of the English Company to President Pitt and Council at Fort St. George, 7th and 12th February 1706-7.

CHAP. III. 1706-7. and separate interests at at that station.

Governor Watts and his Council at BENCOOLEN, we find that, in this season, they appointed Mr. Cross to be Governor, and Mr. Hoyle to be Deputy Governor of that Settlement, with orders to take a minute survey of all former transactions, and to examine the accounts of the late Governor and his Council, because the expences of the Settlements in Sumatra had been heavy, amounting, from the 22d July 1702, to September 1704, to the large sum of 180,000 dollars; it, therefore, became indispensable, to ascertain the grounds of charges of such magnitude, and, particularly, the amount of the bills which had been drawn on Fort St. George:—at the same time, they were directed to settle the accounts, between the London Company and the United Trade, in the most amicable manner. In the event of Mr. Watts being dead, or having removed from Bencoolen, Governor Cross was appointed Chief of the London Company's separate affairs, at that station, with orders to assist in getting in their remaining goods, money, and debts, and to remit the proceeds, in pepper, to England; or, if this could not be effected, to send the amount to President Pitt, at Fort St. George, with the Court's desire, that it might be invested in Coast goods, and sent to England.[1]

Court of Managers appoint Mr. Sheldon and Mr. Hedges to be the

The Court of Managers, this season, re-instated Mr. Sheldon and Mr. Hedges, as the two Chiefs of the United Council in BENGAL, and repeated the instructions, detailed in the

(1)—Letter from the Court of the London Company to the Governor and Council of Bencoolen, 5th July 1706.—— Letter (separate) from the Court of the London Company to Mr. Cross and Mr. Hoyle, 5th July 1706.

CHAP. III. 1706-7.

the last season, for bringing the whole trade under their management. As far as regarded the separate interests of the London Company, Bengal was continued in subordination to the Presidency of Fort St. George, with orders to discharge all their separate debts, and to remit the surplus to England, in fine muslins and raw-silk; but, as the imports of saltpetre had been large, not to invest any part of it in that article.

Chiefs of Council in Bengal, to wind up the separate interests.

In the same manner, the Directors of the English Company repeated their orders, that their accounts with Sir Edward Littleton should be settled in India, by which they anticipated their losses would be less, than if such settlement should be attempted in England; and that, after all debts should be cleared off, the surplus should be invested in fine muslins. The detaining the ship Katherine so long in India was blamed, as the Court had to pay the large sum of £13,000 to her owners, for demorage.(1)

It is remarkable, that, in this season, no instructions appear to have been dispatched to BANJAR-MASSIN in BORNEO, and that all attempts for trade to CHINA were suspended.

Political situation of Hindostan, on the death of

In this season, as in the preceding year, we have to preface the events at SURAT, with a description of the detached

(1)—Letter from the Court of the London Company to the President and Council at Fort William, 7th February 1706-7.——Letter from the Court of the English Company to the President and Council at Fort William, 7th February 1706-7.

CHAP. III. 1706-7. Aurungzebe, on the 20th February 1706-7.

tached transactions of the Country Powers, which affected the seats of the Company's trade; and this is, perhaps, of more importance, because, connecting it with those referred to in preceding years, we can collect the facts regarding the Mogul Government, during the last year of Aurungzebe's reign, which shew, that the administration of this Emperor had, for some time, been declining in energy.

We have, also, in particular, to advert to the conduct of the Dutch at Surat, while this memorable event, in Hindostan, was still uncertain, and to the effect of their vigorous measures for restoring their trade, on terms to which, in the sequel, they adhered, when the confusions which followed the death of the Emperor, suspended, in a great degree, the functions of the Mogul Government.

These facts will unfold the consequences of the unwise proceedings by which Sir Nicholas Waite endangered the existence of the Company's trade and Settlements, and the weakness of the Court of Managers, in still permitting him to continue in office.

Connecting the events in this, with those of the preceding season, we discover that the Hindoo, or Mahratta armies, were still hovering about the districts, in the vicinity of Surat, though they had not again assaulted the place, and that they did not retire, from before the town, till the 23d May 1706;—that, in their retreat, they plundered the villages, and destroyed all kinds of provisions, which raised the price of

of the necessaries of life, "from two to three hundred per cent." At this juncture, the principal body of the Mogul army was in the Decan, the conquest of which had been the favorite object of Aurungzebe's long reign: he had subverted the principal native kingdoms in that quarter, but continued in it, during the last years of his reign, with his army, and opposed but a feeble resistance to the Mahrattas, bordering on the Western Provinces.

The Company's Presidents at Bombay and Surat had annually given accounts of the large armies and predatory incursions of the Mahrattas, but they do not, on any occasion, report that Mogul armies of any magnitude had been sent to oppose them;—on the contrary, they described Surat, though frequently menaced with sieges and assaults, to be left to such protection as its fortifications and garrison could afford; and even this garrison, in the preceding season, were not able to expel the Portuguese from Daman, but were obliged to return to the defence of Surat itself, when blockaded by the Dutch fleet.

This relative state of the Mahratta and Mogul armies, accounts for the contradictory orders sent, by the Mogul, to the Governor of Surat, respecting the Europeans resorting to the port, at one time ordering the trade to be stopt, at another, permitting, sometimes one, and sometimes another Company, to have access to it, and to the markets; and thus leaving him to act as he pleased, by indulging, or oppressing the Europeans, as he could draw bribes or presents from them,

CHAP. III. 1706-7. them, or as they appeared to have, or to want, power to resist his mandates.

A proof of this being the case, (and on authority less questionable than Sir Nicholas Waite's,) Sir John Gayer, at the opening of the season 1706-7, informed the Court, the Governor of Surat had reported, that he had received orders to stop the trade of all *Hatmen*, or Europeans, in the Mogul's dominions; but, subsequently, the Mogul guards were withdrawn from the London Company's Factory, though neither the French nor English were permitted to pass the gates;—Sir John Gayer, therefore, requested, that force might be employed, otherwise he, and the rest of the Council, would be exposed to fresh troubles.

At the close of the season, however, the report of the Mogul's death had reached Surat, and was communicated to the Court by Sir John Gayer, in an allegory, which strongly marks the general fear felt, at the moment, to mention an event of such political delicacy, because its truth, equally with its falsehood, might expose the person who might promulgate it to certain ruin:—he represented, in his letter of the 1st March 1706-7, "that the Sun of this Hemisphere had set, and that the Star of "the *Second* magnitude, being under his meridian, had taken "his place; but, that it was feared the Star of the *First* magnitude, though under a remoter meridian, would struggle to "exalt itself;"—which exactly corresponds with the state of affairs at Aurungzebe's death, which happened (according to President Pitt's letter from Fort St. George, of the 10th October 1707)

1707) in his camp, near Aurungabad, in the Decan, in the ninety-third year of his age, on the 20th February 1706-7, leaving, by his will, the Empire divided among his three sons, described by Governor Pitt under the names "of Shah Aulum, "Asem Dara, and Khan Bux."

CHAP. III. 1706-7.

Decisive battle in favour of Bahader Shah.

This account coincides with the memoirs of Eradut Khan, who describes the eldest son, Prince Mauzim, as having been known by the name of Shah Aulum; the second, by that of Azem; and the third, by that of Khan Buksh.

President Pitt then informed the Court, that the second son, or Prince Azem, assumed the title of King, and had marched with a great army towards Delhi, to oppose the pretensions of his elder brother, Prince Aulum, or Mauzim, and, that a battle had been fought, near Agra, in June 1707, in which near one hundred thousand men fell on both sides;—that the army of Shah Aulum was commanded by his eldest son, in whose favour victory declared, and that Sultan Azem, and his two sons, were killed, on which Shah Aulum ascended the throne, and, according to the preceding authorities, assumed the title of Bahader Shah.(1)

The Dutch fleet blockade Surat, and obtain a release from the Security-Bonds, and permission to resettle their Factory.

While the Native States were thus engaged in the civil wars, which commenced on the death of Aurungzebe, and while the Mahrattas were preparing for war, on the side of the Decan, and

(1)—Letter from Sir John Gayer, at Surat, to the Court of the London Company, March 1st 1706-7.—— Letter from President Pitt, at Fort St. George, to the Court of Managers, October 10th 1707.—— Memoirs of Eradut Khan (by Scott), page 10.—— Rennel's Introduction, page 64.

CHAP. III. 1706-7.

and laying waste the provinces on the West of India, bordering on Surat and Bombay, we have to advert to the proceedings of the Dutch, who employed force, as the only expedient left for getting free from the Security-Bonds, which had been extorted from them, and for re-establishing their rights and trade at Surat.

In October 1706, a Dutch fleet, having on board a new Directore and Council, appeared off Surat, and proposed to the Governor to adjust all disputes, and to re-establish their Factory and trade:—the negotiation, as well as the blockade of the port, continued till the 6th January 1706-7, when an agreement was made, on the following terms:—the Governor of Surat was to pay to the Dutch 811,000 rupees, on giving up the ships and property which they had seized;—one per cent. on the customs, at Surat, was to be abated, and the Dutch were to be free from payment of customs at Broach:—Should the Governor obtain a Phirmaund from the King, confirming these articles, in one month, these conditions were to be the rules respecting their trade; but, if the Phirmaund should not be granted, the Dutch were to have permission to leave the port, and to take such measures as they might think proper. When this agreement was signed, and ratified by the Governor, the Dutch Directore and Council landed, paid him a visit of ceremony, and presented him with fifty thousand rupees.

Sir Nicholas Waite continues his oppressions of the London Company's servants.

If Sir Nicholas Waite's schemes, in former seasons, to maintain his rank, as General, and to keep Sir John Gayer, and the Council of the London Company, in confinement, tended to prevent the winding up of the separate interests of the two Companies, and the completion of the Union, his conduct,

CHAP. III. 1706-7.

conduct, in this season, in his disputes with the English Company's Council at Surat, had nearly ruined their affairs. In his letters to the Court, from Bombay, he informed them, that, from the confusions at Surat, there was little prospect of being able to ship goods for some months;—that he had sent ample supplies of stock to Carwar, Calicut, Anjengo, and Persia; but as Mr. Proby and Mr. Bonnell, the Surat Council, had embezzled the Company's property, in indigo, to the value of eleven thousand rupees, and given credit to the accusations of Rustum, the broker, against him, all business was at a stand. Mr. Proby and Mr. Bonnell, in reply, asserted that Sir Nicholas Waite had been guilty of fraud, in making an overcharge in the purchase of the Company's goods, to the amount of thirty-five thousand rupees, and that he had promised this sum to Rustum, the broker, if he would use his influence with the Governor, to detain Sir John Gayer, and the London Company's Council, in confinement

A Council of the United Company formed at Surat, to resist his measures.

Under such dissentions, not only the United Trade, but the separate interests of the London and English Companies, at Surat, were necessarily suspended; and this appears to have been the state of affairs, when the Dutch fleet appeared off Surat, and when the agreement was made between the Governor and the Dutch Company. Mr. Proby immediately applied to the Governor, to have liberty of trade granted to the English, and the restraint on their persons taken off, and, in answer, received assurances, that, as a settlement had been made with the Dutch, his requests would be complied with.

In

CHAP. III. 1706-7.

In this critical state of the trade, the United Council was filled up;—Mr. Bendall to be President; Mr. Proby, Second; Mr. Wyche, Third; and Mr. Boone, Fourth;—that is, two of the London Company's servants, to be First and Third, and two of the English Company's, to be Second and Fourth:—these nominations, however, Sir Nicholas Waite disapproved, though Sir John Gayer, (still in confinement,) allowed this Council to employ, for the United Trade, all the civil servants of the London Company whom he could spare.

The first transaction of the United Council, after removing to the English Company's Factory at Surat, was to obtain permission to ship off the Company's goods, which had so long remained in store; and, in the letters accompanying them, they requested the Court's protection against the malicious representations of Sir Nicholas Waite, under whose orders they regretted they had been unfortunately placed.

Sir Nicholas Waite's report on the civil and military service at Bombay, at this crisis.

Sir Nicholas Waite's report to the Court, on the state of affairs at Bombay, in substance, was, that he had refused passes to the Mogul ships, destined for Mocha and Juddah, till the port of Surat should be opened for trade, and, indeed, to any ships, except those belonging to the Company's Settlements, or to the English in their service;—that he had ordered the passes, which the inhabitants of Mahim had taken from the Portuguese Governor of Bassein, to be disregarded, and the ships and cargoes confiscated;—that the civil servants were extremely deficient in number, having only six at Bombay, three at Carwar, three at Calicut, one at Tellicherry, and three

CHAP. III. 1706-7.

three at Anjengo, and, therefore, that a supply of twelve intelligent men, who understood business, and twelve Writers, would be necessary;—that the military force was equally deficient, and required, besides supplies of stores, large reinforcements of soldiers, and twelve commissioned officers to discipline them;—and that he had been obliged, in order to keep up the appearance of the three standing companies, to hire thirty-one Topasses, and to new clothe the whole, but intended to deduct the charges from their pay.

In this state of affairs, it is not surprising that all the accounts given of the trade, are general, and that no specific information is conveyed to the Court, on the subject, either of sales or purchases; except that Sir Nicholas Waite had sent vessels to bring up the pepper from the Out-factories, for the safety of which he was in considerable alarm, from the depredations committed by Conajee Angria, a Mahratta pirate.(1)

Agent Lock's report on the favourable state of the Company's affairs in Persia.

However discouraging the report of the preceding season was, respecting the Company's claims for arrears of customs, in PERSIA, the expedient of applying for a "Rogom," or order, by Agent Lock, for recovery of the arrears, had succeeded; for he informed the Court, this season, that he had obtained an

(1)—Letters from Sir John Gayer and Council at Surat to the Courts of Managers, and of the London Company, 25th April, 12th November 1706, 7th and 13th February, and 1st March 1706-7.—— Letters from Mr. Proby and Mr. Bonnell, and the United Council at Surat, to the Court of Managers, 13th September 1706, 20th January, 14th and 20th February 1706-7.—— Letters from Sir Nicholas Waite and Council at Bombay to the Courts of Managers, and of the English Company, 9th May, 3d October, 24th December 1706, 23d January, and 17th March 1706-7.

CHAP. III.
1706-7.

an order for one thousand tomands, for the year's customs which had, for so long a time, been the subject of dispute and negotiation, though he was doubtful, whether he should receive payment from the Shahbunder, who was in disgrace; —that he had, also, procured another order for the payment of the late arrears of customs, amounting to 5,981 tomands, of which the proportion belonging to the London Company, was 2,306 tomands;—of this whole amount of 5,981 tomands, the Agent and Council had actually received silk in payment, estimated at 2,219 tomands, of which the proportion, belonging to the London Company, was 855 tomands.

At the close of the season, the trade wore a still more promising aspect, for Mr. Lock reported to the Bombay Government, that the greatest part of the broad-cloth had been sold, at a profit of sixteen per cent., and that he had succeeded in collecting a larger investment of Persian produce than usual; but, from Sir John Gayer's account, who was entrusted with the winding up of the London Company's affairs, Mr. Lock had not been equally successful in disposing of their remains of cloth and other goods, before those of the United Company came into competition with them, in the market, and, therefore, had sold them at extremely low prices.(1)

President Pitt's report on the political convul-

Though the death of Aurungzebe was known at MADRAS, at the close of this season, the documents which remain to ascertain,

(1)—Letter from Agent Lock and Council, at Ispahan, to the Court of the London Company, 31st October 1706.—— Letter from Sir John Gayer, at Surat, to the Court of the London Company, 12th November 1706.—— Letter from Sir Nicholas Waite, at Surat, to the Court of Managers, 17th March 1706-7.

CHAP. III. 1706-7.

sions, as they affected the English Settlements and trade on the Coromandel Coast.

ascertain, either the proceedings of the Native Powers, in its vicinity, or of President Pitt, do not come lower down than the month of February 1706-7; Hence, in tracing the events affecting the Presidency of FORT ST. GEORGE, we have only to state the transactions of the Native Powers, influenced by the anticipation of an event, which, for so many years, had been considered as the signal for a general war in Hindostan.

It may be recollected, that this part of the Mogul Empire was less affected by the prospect of the Emperor's death, than the Western and Eastern Provinces had been; because, from the commencement of Aurungzebe's reign to its close, the subjugation of the Decan had kept the greatest part of the Mogul regular forces in this quarter of the Peninsula, and even the Emperor, himself, had continued in it, for several years, to command his army; and the subordinate officers, to whom portions of the Provinces, bordering on the English stations, had been entrusted, acted in obedience to the Mogul, without attempting insurrection or rebellion.

This state of affairs accounts for the appearance of force under those Nabobs, disturbing the manufactures from which the Company drew their goods, and frequently menacing the English fortified Settlements, but accepting of partial bribes, to desist from actual attacks on them.

President Pitt, in this season, therefore, represented, that the investments had been obstructed, by these armies carrying on a desultory war, which had destroyed the crops;—that, at

one

CHAP III. 1706-7.

one time, the Nabob had approached so near to Madras, as St. Thomé, and signified a wish to visit the President in form, which was agreed to; but on his approaching the town, accompanied by a greater body of troops than had been settled, it was deemed prudent to refuse him admittance.

At this crisis, large parties of Mahrattas fortunately made a plundering incursion into the Carnatic, which obliged the Nabob to assemble his army, and march to expel them. Fort St. David was, in the same manner, menaced by Nabob Doud Khan, who had passed near it with his army, in consequence of a war between him, and the Hindoo Chief in Tanjore, (for it will be recollected, that this district remained under a branch of the Sevagee race, after the conquest of Visiapore and Golcondah) and, subsequently, to resist the army of the Nabob of Tritchinopoly;—the President had, therefore, been obliged to send the Nabob a present of broad-cloth, which had been well received, and his army passed the place without hostility.

Under these circumstances, President Pitt stated to the Court, that the garrisons of the two Forts were weak, and would require a supply of recruits, for he had, this season, received only four soldiers, when four hundred were wanted, to make up the two garrisons to their proper complement.

—His report on the general interests of the United Trade.

On the general interests of the Union, President Pitt stated, that the resource from the silver, which had been sent out, as stock, had been affected, by the low price at which it sold on the Coast, which had induced him to remit the greater part of it, to Bengal, where

CHAP. III. 1706-7.

brought nine, and nine and a half per cent. more than at Fort St. George; and that he had been obliged to accept, after consultation, the bills drawn by the Governor of Bencoolen, to the amount of forty-nine thousand dollars, and, subsequently, to the farther amount of twenty-three thousand nine hundred dollars, for, otherwise, the trade at that Settlement, must have been at a stand; but not being satisfied with the conduct of the Governor he had sent Mr. Glessell, Mr. Wright, and Mr. Deane, to fill up the vacancies in that Council, and to report on the actual state of affairs, to him, or to his successor, as he proposed returning to England, in January 1707.

—On the separate interests of the London Company.

On the separate affairs of the London Company, President Pitt introduced his report with stating, that, in his opinion, they had been rash and hasty, in forming an Union with the English Company, because, if all their servants at Surat and Bengal, had acted with the same firmness, as had been manifested at Fort St. George, the whole of the interferences of the English Company with the London Company's trade and privileges would have terminated in their ruin, or, to use his own language, "there "would not, by this time, have remained a New Company's "man in India;" but that, considering the conduct of Sir Nicholas Waite, and the licence which had been given him, to continue his unjustifiable proceedings, which had nearly brought the Company's trade on the West Coast to a stand, it was fortunate, perhaps, that the Union had taken place; for such had been his absurd violence, that Mr. Brabourne would not accept

CHAP. III. 1706-7.

cept the office of Deputy Governor of Bombay, because he would not serve under a man, whose behaviour he represented to be so absurd, that the civil servants of the Company, in that quarter, had declared, "they would rather be private centinels "at Fort St. George, than serve as Second in Council under "Sir Nicholas Waite."

President Pitt farther reported, that he would not accept any bills drawn from Bencoolen, on the separate account of the London Company, and that, at last, he had ascertained the amount of the United Company's debt to the London Company, to be upwards of ninety thousand pagodas, and had sent home, on their separate account, this season, an investment, estimated at 5,898 pagodas; but there was no probability of their "recovering a penny of the Chinese "debt."

—On the separate interests of the English Company.

On the separate interests of the English Company, President Pitt reported, that having received their letter of the 2d March 1705-6, (the substance of which was given in their home transactions of that season,) he conceived that, as they had vested him with a controling power over their servants, in winding up their separate affairs, the blame which they had imputed to him, in discharging this duty, was not less improper than unjustifiable;—that he had, agreeably to orders, investigated the claims of the Native Merchants, and found them to be just, under all the circumstances in which they had furnished goods for successive investments, and had drawn bills for

for the amount, at ten shillings and six-pence the pagoda; an exchange which, though they might consider to be high, was, in fact, lower than could have been obtained by any person but himself, who, from having been President for the London Company, and actually President for the United Company, had acquired the confidence of the monied men in the Settlement; adding, that pagodas, at that time, were at the exchange of thirteen shillings and six-pence, and that the Dutch would not lend one, under eighteen shillings; "he, therefore, left it to the "world to judge, which had acted with more honor, or honesty, "himself or the New Company;—himself, who had examined "the claims of the Black Merchants, and found them just, and "drawn bills to pay them, or the New Company, who had refused "to honor those bills, drawn for the support of their Factories, "when starving, or to pay their debts to widows and orphans."

CHAP. III. 1706-7.

President Pitt, lastly, informed the Court of Managers, on the subject of the investment, that though cottons were scarce and dear, he had entered into two contracts, at Fort St. David, on good terms, the one amounting to eighty thousand, and the other to fifty thousand pagodas, and that the Loyal Cooke had been dispatched with a cargo, estimated at 37,950 pagodas, and the Loyal Merchant with a cargo, of the value of 59,800 pagodas.(1)

His report to the Court of Managers on the investment.

From

(1)—Letters from President Pitt and Council to the Court of Managers, 12th September, 9th October 1706, 31st January, 10th, 14th and 16th February 1706-7.—— Letters from President Pitt and Council to the Court of the London Company, 9th and 21st September 1706 —— Letters from President Pitt to the Court of the English Company, 21st September 1706.

CHAP. III.
1706-7.
State of the Company's affairs at Bencoolen, at this juncture.

From the report of the Governor and Council at Bencoolen to the Court of Managers, it appears, that they still continued to consider themselves independent of Fort St. George, but, as stated in the preceding article, they had drawn bills on that Presidency, to a large amount, though those bills had, on consultation, been honoured, rather from a sense of duty to the Company, than from any approbation of the manner in which the money had been laid out:—this opinion President Pitt considered of such force, that he had sent three persons from Fort St. George to be Second, Third, and Fourth of Council at Bencoolen; but the Governor at that station, refused to admit them, on which Mr. Glessel returned to Fort St. George, while Mr. Wright and Mr. Deane remained, and accepted the rank of Junior Members of Council. The Governor described York Fort to be nearly completed, and that he had settled a Factory at "Judickett," to the northward of Bencoolen, and sent a corporal and four Buggesses, for its protection, but that he was in great need of a supply of slaves for labourers;—that the pepper plantations, which, in the preceding year, he had reported as lately formed, promised to yield a large quantity of produce; and that he had dispatched the ship Hampshire, fully laden, for Europe.(1)

The Settlements and trade in Bengal less affected by the convulsions

The Bengal Provinces do not appear, in this season, to have felt the same apprehensions, respecting the civil wars so long anticipated from the great age of Aurungzebe, but to have continued

(1)—Letters from the Governor and Council at Bencoolen to the Court of Managers, 18th September and 11th October 1706.

continued nearly under the circumstances in which they were described, in the preceding year. An agreement had been made with the Duan, for a "Sunnud," for liberty of trade, and to settle a Factory at Cossimbuzar, for which a present of twenty-five thousand rupees had been promised, on which he permitted the Company's "dusticks," or passes, to proceed without interruption, and, subsequently, had given permission to use the mint at Muxadavad, under the usual privileges.

in India, than the other seats of the Company's trade.

The only appearance of interruption was the arrival of an order from the Mogul, in May, to stop the Dutch trade in Bengal; but this had no influence on the proceedings of the United Council, except that of inducing them to order additional works, to strengthen Fort William (the garrison of which consisted, at this time, of one hundred and twenty-five soldiers, of whom forty-six were Europeans, exclusive of the gunner and his crew), that the town of Calcutta, (which was now regularly built, and the inhabitants and revenues increasing,) might be under the protection of the guns.

Report of the Council in Bengal, on the United Trade.

On the subject of trade, the United Council reported to the Court of Managers, that they had paid to the London Company, 53,215 rupees, and to the English Company, 47,654 rupees, for their separate expences on the Dead Stock, since the commencement of the Union;—and that it had been found expedient to continue the Factory at Patna for another season, and to send up seventy thousand rupees, to purchase forty thousand maund of the best saltpetre; and, likewise, to station two Factors at

Cossimbuzar,

CHAP. III. 1706-7. Cossimbuzar, with a stock of 43,800 rupees, to resettle that Factory, under the Duan's protection.

On the separate interests of the London Company.

The account given of the separate interests of the London Company, in substance, was, that the United Council had received the bullion by the Tankerville, amounting to £12,289, which sum with the money paid by the United Trade, on account of Dead Stock, or 53,215 rupees, and the remains of the proceeds of their Europe goods, or 27,659 rupees, had enabled them to clear off nearly the whole of the London Company's debts in Bengal;—that they had, also, examined the English Company's account of their expences of Dead Stock, which, in many particulars, they had found erroneous, several articles having been purchased, on account of merchandize, which had been charged to the account of Dead Stock, and, therefore, on the whole, the interest due by the United Trade, to the London Company, amounted, at this period, to 28,033 rupees.

On the separate interests of the English Company.

The account given of the separate interests of the English Company was, that the United Council had sold all the remains of their goods, which amounted to 26,273 rupees, but had not been able to recover a rupee from Sir Edward Littleton, whose debts now amounted to 227,522 rupees; and had received from the United Trade, 41,931 rupees, on account of the Dead Stock of the English Company;—that, by these means, they had laden on the Frederic, goods, on their separate account, estimated at 49,649 rupees, and on the Halifax, to the value of 21,483 rupees, which sums would

would nearly include the whole of their remains, as some lesser articles, only, were now to be recovered.

CHAP. III. 1706-7.

Amount of the Bengal investment this season.

The report concluded with the following list of ships and investments, dispatched, on the United Company's account, this season, *viz.* the Frederic, with an investment estimated at 282,250 rupees; the Tankerville, with 236,333 rupees; the Loyal Merchant, with 56,762 rupees; and the Halifax, with 396,969 rupees. (1)

Report on the Settlements and trade of Banjar-Massin.

Though, in the preceding season, the garrison at Banjar-Massin, and the fortifications, were reported as scarcely equal to the defence of the place against the Natives, instigated by the Chinese to revolt, it appears that the Agent and Council had taken the most active measures for its defence, after they had heard of the disaster of Pulo-Condore. It is probable, this event induced them, (after stating to the Court, that the inhabitants at the English Settlement at Banjar-Massin consisted of one Chief and four Members of Council, one Factor, three Writers, one officer, twenty-five English, three Dutch, and ten Maccassar soldiers, nine European artificers, thirty Javanese carpenters, five Chinese carpenters, two Chinese bricklayers, seventy labourers, thirty slaves, and nine European seamen,) to request a supply of one hundred Europeans, as the fortifications were completing, and

(1)—Letters from the United Council in Bengal to the Court of Managers, 31st December 1706, and 24th January 1706-7.—— Letters from the Separate Council for the London Company, in Bengal, to their Court, 1st January 1706-7.—— Letters from the Separate Council for the English Company, in Bengal, to their Court, 26th December 1706, and 27th January 1706-7.

CHAP. III. 1706-7. and had been faced with brick, which would require a supply of bricklayers and carpenters from England;—that the work would, however, take two years to finish it, and they hoped the expence would not exceed £12,000; but a large supply of military stores, of every kind, would be wanted.

As an inducement to persevere in maintaining this Settlement, the Agent reported to the Court, that the Island would yield pepper, gold, diamonds, dragon's blood, wax, cloves, bark, and canes, proportions of which might be profitably exchanged for Coast goods, and for China produce, brought annually by the junks:—the pepper, however, or the staple article for which the Settlement had been formed, could not be wholly engrossed by the Company, as the Chinese bought, at least, one-third part of it;—that, from the first establishment, there had been shipped six thousand and eleven tons of pepper, but the shipping sent out had exceeded the quantity of produce which could be collected, for an investment in this article:—In the vessels destined for this trade it would be proper, that the burden of each should not exceed three hundred tons, and, perhaps, it would be preferable to have them under that size, as, in that case, they could lay before the Factory, under the protection of the guns;—it would be necessary, also, that the ships should arrive, between the months of August and March, in each season, which would prevent demorage, and enable the Agent more quickly to dispatch them. (1)

It

(1)—Letters from the Agent and Council at Banjar-Massin, in Borneo, to the Court of Managers, 23d and 25th November 1706, 26th and 31st January 1706-7.

CHAP. III.
1706-7.
Capture of two of the Company's ships, by two French men of war, at St. Helena.

It is but occasionally that the Company's records furnish any information from St. Helena; that Island, as a Settlement, being under fixed regulations, which were only varied according to events. In this season, the capture of the Company's ships Queen and Dover, by two French men of war, in St. Helena Roads, on the 1st June 1706, was occasioned, in Governor Poirier's opinion, by the captains not having brought their vessels sufficiently under the protection of the Fort, and, therefore, he submitted, that instructions should be given to the commanders to moor their vessels, in future, within the range of the guns. (1)

(1)—Letter from the Governor and Council of St. Helena to the Court of Managers, 11th August 1706.

1707-8.

CHAP. III.
1707-8.
Retrospect of events, leading, in this year, to the completion of the Union between the two Companies.

THE period was now approaching, at which, by the Deed of Union of 1702, the London and English Companies were bound to wind up their separate stocks, that the whole of the East-India trade might be merged into that of the United Company. By a reference to the preceding Annals it will appear, that, at the outset, the Committees of the London Company, and the Directors of the English Company, proceeded in their respective capacities, rather under the impression of acting for their separate interests, than of founding, on the experience of the one, or on the speculations of the other, a system for an United East-India trade, in a shorter time, than the Deed had prescribed; and, by a like reference, it will appear, that the Committees of the London Company, probably from being possessed of larger funds and more experience, were sooner disposed to recede from these narrow principles, than the Directors of the English Company.

The events of the few last years have discovered the Committees of the London Company nearly winding up their separate interests, and, in their public conduct, as Members of the Court of Managers, contributing their aid, and instructing their servants abroad, to assist their former opponents, but now colleagues, in adjusting their concerns; and have, also, discovered, that the Directors of the English Company, though publicly

publicly acquiescing with the Court of Managers in the same principles, were sending private orders to their servants abroad, authorizing them to keep alive that opposition, which was calculated to retard, rather than to accelerate, either the winding up of their own affairs, or bringing the general interests into a state in which the Union could be rendered practicable, or efficient.

A loan of £1,200,000, for the public service, required from the United Company.

At the close of the season we are about to review, this selfish spirit was laid aside, and those persons employed abroad, who had acted from interested or vindictive motives, were removed from their situations; but this change did not arise so much from conviction of the impropriety of their conduct, as from an event, which, though unconnected with Indian affairs, necessarily brought all opposition to a conclusion.

The public resources, required to maintain a general war in Europe, called for aids from every Corporation, and, among others, from the East-India Company. The Earl of Godolphin, at this time Lord High Treasurer of Great-Britain, and Chief Minister of Finance, required of the East-India Companies, a loan to the public, of £1,200,000:—The recollection of what had occurred in 1698, when a loan was offered and accepted from the General Society, (subsequently the English East-India Company,) induced all parties to lay aside their animosities and particular interests, and to unite in meeting this public demand; for it was foreseen, that, had the Court of Managers, (as the London Company at that time did,) hesitated about the sum they were to give, or attempted to make a bargain on

CHAP. III. 1707-8.

narrow principles, new mercantile speculators might have arisen, who would have advanced the money; and that, if the London, English, and United Companies, had not been superseded, the whole might have had to encounter a new rival, fostered and assisted by the Private Merchants, who were again bringing up the impracticable scheme of an open trade, and supporting that scheme, by again describing the regulated commerce of the East-India Company as an odious monopoly.

Sir Nicholas Waite dismissed by the Court of Managers.

This opinion was not only probable, but its influence, at this time, is marked, by the acts which appear on the records of the Court of Managers in this season; who, instead of encouraging Sir Nicholas Waite in his narrow and selfish projects of continuing himself in power, and retaining Sir John Gayer, and the London Company's oldest and best servants in confinement, dismissed him the service, and appointed a new General and Council at Bombay, four of whom were to constitute the President and Council at Surat. The general instruction given to this Council was, to lay aside animosities of every kind, and to exert their best endeavours for the liberation of Sir John Gayer and his Council;—and, in discharging their duties to the United Company, they were to follow such plans as he should recommend, not only for the general interest, but for winding up the interests of the separate Companies.

Act of Parliament (6th Queen Anne) authorizing the Award of Earl Godol-

Having traced the source of the events, which were calculated finally to adjust the separate interests of the two Companies, and which had an immediate effect on the proceedings

CHAP. III.

1707-8.

phin, and extending the privileges of the United Company, to March 25th 1726.

ings and conduct of the Court of Managers, we are prepared to review the particulars in the Act, 6th Queen Anne, cap. 17, which passed, ostensibly, for raising the sum of £1,200,000 for the public service, but which, from its provisions, will be found to comprehend and settle, by an appeal to the Award of the Earl of Godolphin, all those jarring interests, which had, hitherto, divided the attention of the Committees and Directors of the two Companies, and, in many instances, placed at variance the orders of the Court of Managers, and the separate instructions of the Members who composed it.

The preamble of this Act recited the substance of the Act, 9th William III., cap. 44.; or, "an Act for raising a sum, not "exceeding two millions, upon a fund for payment of annui-"ties, after the rate of eight per cent. per annum, and for "settling the trade to the East-Indies." It also recited the Charters, or Letters Patent, dated the 3d and 5th September, 10th William III. (1698), for establishing *The General Society* and *The English East-India Company*. It farther recited the Act, 11th William III. (1699), enacting that the London Company should remain a Body Corporate and Politic, till the redemption of the fund granted by the preceding Act; and also, the Indenture Tripartite, dated the 22d July 1702, between the Queen and the London and English Companies; and then provided, that the English (United) Company, in behalf of themselves, and of the London Company, united by the said Indenture Tripartite, or Deed of Union, should advance to the Queen the sum of £1,200,000, as a loan for carrying on the war, without

any

CHAP. III. 1707-8. any additional interest;—that, to enable the said Company to raise this sum, they were empowered, by this Act, to borrow £1,500,000, on securities, under the Common Seal of the English Company, (then in the hands of the Managers for the United Trade,) on account of the United Stock, or Fund; and to call in money from their respective Adventurers, or Proprietors, for the purpose of repaying the said borrowed money, or the interest thereof;—that the sum of £1,200,000, so advanced, should be deemed additional stock of the said Company, and exempted from all taxes;—that for the encouragement of the English (United) Company, to continue their trade, it was enacted by this Act, that the proviso in the Act, 9th William III. (cap. 44.), "that the English Company should "cease and determine, on three years' notice, after the 29th "September 1711, and on repayment of their capital stock of "two millions," should be repealed; and that the English (United) Company, should, under this Act, continue to be a Body Politic and Corporate, till the 25th March 1726, and then should cease and determine, on three years' notice, and repayment of their capital of £3,200,000;—that the separate stock of the General Society, amounting to £7,200, should, by this Act, be confirmed, with all its privileges of trade; but that it should be lawful for the English (United) Company, on giving three years' notice of their intention, after the 29th September 1711, to pay off the said separate stock, which should, after that period, be incorporated in the stock of the English (United) Company:—and, in order to a complete

Union

Union between the London and English Companies, it was enacted, that all matters, still in difference between them, should, by desire of both Companies, be submitted to the Award of Sidney, Earl of Godolphin, Lord High Treasurer of Great-Britain; such Award, under his Lordship's hand and seal, to be binding and conclusive on both Companies, and to be completed, on or before the 29th September 1708, after which the London Company were to surrender their Charters, and the English Company assume the name of THE UNITED COMPANY OF MERCHANTS OF ENGLAND TRADING TO THE EAST-INDIES; and the persons who, at the time of the said surrender, might be Managers of the United Trade, were to be the Directors of the United Company, till the next election.(1)

CHAP. III. 1707-8.

Explanation of the provisions in this Act, relating to the additional capital of £1,200,000 and the fund of £160,000, assigned for payment of interest at five per cent.

From the events which had occurred in the Courts of both Companies, at home and at their foreign stations, since their affairs were, in general, vested in the Court of Managers, and since the separate interests were winding up, by the respective Agents of the London and English Companies abroad, it became evident, not only to the Directors and Proprietors, but to the Legislature, that the authority of the State was required to be interposed, at this juncture, to accomplish that Union, which opposing interests had so long retarded; and that this end could be

(1)—Russel's India Acts. (6 Anne, cap. 17, page 46).

Note.—By the Act, 10th Anne, cap. 28, the Corporate capacity of the United Company is confirmed as perpetual, as, by this Act, it is expressly stated, that only the annuity, or yearly fund of £160,000, should, on three years' notice after the 25th March 1733, and on repayment of the loans of £3,200,000, cease and determine; but not "the Corporations "erected in pursuance of former Acts, or the benefits of trade granted by them, or by any "Charters made in pursuance thereof."

CHAP. III. 1707-8. be only effected, by vesting Lord Godolphin with powers to decide, ultimately, for all the parties concerned, and to declare, in the Act, that his decision should be final.

From the provisions in the Act, it next appears, that the stock, or funds, of the United Company, were enlarged and improved, notwithstanding the rate of interest, (eight per cent.) on the two millions advanced to Government by the General Society, and the English Company, was reduced to five per cent.; because the stock, or funds of the Company, were now encreased to £3,200,000; and the sum of £160,000, which had been originally assigned by the Act of 1698, for the payment of interest, at eight per cent., from certain duties on salt, parchment, &c. was continued as a separate fund, applicable to the payment of interest by the Public, on the loans of the Company to Government, of £3,200,000, which thus reduced the rate of interest to five per cent.

From the preceding events, and from the Act, it also appears, that all the grants to the London Company, and the Charter to the English Company, proceeding on the Act of 1698, were confirmed to the United Company; and, at the same time, the important explanation is introduced, that the exclusive privileges of trade were to extend to the year 1726.

Mr. Aislabie appointed by the Court of Managers to be General at Bombay, and a new President and Council nominated for Surat.

It will, therefore, be interesting to look at the measures which, in this state of affairs, the Managers of the United Trade, and the Committees of the London, and the Directors of the English Companies, adopted, to prepare their foreign Settlements for the Award of Lord Godolphin, which, it had been

been enacted, should be completed before the 29th September 1708.

The Court of Managers, under the circumstances which have been described, appointed a new General and Council at BOMBAY:—Mr. Aislabie, formerly in the London Company's service, was nominated to be General; Mr. Proby, Second in Council; Mr. Bendall, Third; Mr. Goodshaw, Fourth; Mr. Wyche, Fifth; Mr. Mildmay, Sixth; Mr. Boone, Seventh; and Mr. Oakley, Eighth; with orders to select four of themselves to be President and Council at SURAT, and such number of Factors and Writers, as they might think the service would require.

On intimating this appointment to Mr. Aislabie, they desired that all former animosities might be laid aside, and explained to him, that the final settlement of the United Trade, at the desire of the Joint Committees of both Companies, had, by Act of Parliament, been confided to the Award of Lord Treasurer Godolphin. The Court of the London Company notified to Sir John Gayer, that Sir Nicholas Waite had been dismissed the service of the United Company;—lamented his long confinement at Surat, and informed him that Mr. Aislabie, who had been appointed General at Bombay, at their recommendation, had, with his Council, received the most positive orders to use every effort for his liberation;—that, therefore, they expected he would afford his best advice to Mr. Aislabie, in winding up whatever related to their separate affairs, who also

CHAP. III. 1707-8. also had received orders to pay attention to such advice as he might afford him on that subject.

The Court of the English Company softened, as much as they could, to Sir Nicholas Waite, the event of his dismission, by informing him, that the Court of Managers had thought fit to "*discontinue*" him from being General at Bombay; but, they retained, even in this last communication to him, a portion of that narrow policy, by which they had been guided; for instead of thanking him, in general terms, for his services, they explained those services to have consisted in preserving their (the English Company's) affairs from being "*embroiled*" with those of the London Company, and desired him to deliver whatever might remain of their property to the General and Council at Bombay;—they, likewise, required Mr. Proby and Mr. Bonnell to deliver all their papers and books to the new General, having requested him to act impartially, in adjusting and winding up their interests, and to invest the remains in fine book-doreea muslins, coffee, and indigo:—they, farther, recommended their separate affairs to Mr. Proby, who had been nominated Second in Council at Bombay, at their particular request. (1)

General and separate instructions to President Pitt, on the

The orders of the Court of Managers to President Pitt, at Fort St. George, were a continuation, only, of those of the preceding

(1)—Letters from the Court of the London Company to Sir John Gayer at Surat, and Mr. Aislabie at Bombay, 20th April 1708.—— Letters from the Court of the English Company to Sir Nicholas Waite and Mr. Aislabie at Bombay, and Mr. Proby and Mr. Bonnell at Surat, 20th April 1708.

CHAP. III. 1707-8.

preceding year. Having sent him, on the ships of the season, destined for the Coast, the sum of £100,000, they directed, that it should be applied to pay off all the debts due by the United Trade, to the London Company, either on the Coast, or in Bengal.

Company's interests on the Coast of Coromandel.

The separate orders of the London Company, to President Pitt, were equally concise, for though they expressed a disappointment, that the goods which had come in the ships of the last season, on their separate account, had not been more considerable, they continued their affairs under his direction; suggesting, that whatever remains of goods or effects they might have on the Coast, should be remitted to Bengal, to be invested in the finest muslins, and that whatever could be recovered from Anqua's debt (should the proceeds of both not be equal to the discharge of their debts in Bengal) might be applied to the same purpose; but, if insufficient to liquidate the whole, he was to draw bills for the amount on their Court.

On the relation between the Coast and Bencoolen, there appears, this season, no specific instructions.(1)

General and separate instructions to the United Council in Bengal.

As in the preceding branch of their business, the Court of Managers, this season, repeated to the United Council of BENGAL, the same general orders as given last year.

The separate orders of the London Company discover, that they still continued their interest in Bengal, under the control of President Pitt, who had been directed to remit to Bengal

(1)—Letters from the Court of the London Company to the President and Council of Fort St. George, 16th April 1708.

CHAP. III. 1707-8.

gal the surplus of their property on the Coast, with money to discharge their debts, and that whatever might remain should be invested in fine muslins, but he was not to admit any part of the English Company's property, as Dead Stock, which actually constituted merchandize:—farther, as the Court of Managers had resettled the Factory at Cossimbuzar, it was expected the Agent entrusted with winding up the London Company's affairs, would avail himself of this opportunity, to recover the old debt due to them at that station.

In the separate orders of the English Company, their Court desired that every effort should be used to bring Sir Edward Littleton to account, in which their former servants would receive, under the orders of the Court of Managers, the assistance of the United Council. As a considerable stock would remain to them in Borneo, it was to be remitted to Bengal, as an additional fund, to be invested in mulmull and doreea muslins.(1)

Final instructions of the English Company to their Agent and Council at Banjar-Massin, in Borneo.

The instructions of the Court of Directors of the English Company to the Agent and Council at BANJAR-MASSIN, in the Island of BORNEO, are described to be final; as all orders, in future, from the approaching Award of Lord Godolphin, could only come from the United Company; expedition, therefore, and care in fulfilling these, their last instructions, would be required. As the remaining stock of the English Company, in Borneo, amounted to 157,490 dollars, the Agent and Council were required

(1)—Letter from the Court of the London Company to their Separate Council in Bengal, 16th April 1708.—— Letters from the Court of the English Company to their Separate Council in Bengal, 8th October 1707, and 16th April 1708.

required to invest such proportion of this sum in pepper, as would not interfere with, or do prejudice to the United Trade in that article, and to transfer the remainder to their Agents in Bengal; explaining, that if this could not be effected in silver, they were to endeavour to get it changed for gold, and to purchase, with whatever debts they might recover, pepper, wax, teas, or any other commodities the country would afford, as a channel of remittance. CHAP. III. 1707-8.

It is remarkable, in these final instructions, that the Court, instead of ordering their investments to be sent on board the ships of the United Company, preferred their being put on board a *Separate Stock* ship, (that is, the small outstanding stock of the General Society) and, in fact, engaged one, the Mermaid Galley, for this service, on which the whole remains, either in goods or money, belonging to the English Company, were to be shipped, and consigned to the Council in Bengal. (1)

This circumstance proves the existence of a distinct trade on the Separate Stock; and yet all writers on the subject either reject this fact, or hold it to be doubtful :—the existence of this stock is, however, established by the Act, 6th Queen Anne, cap. 17, which declares the Separate Stock to be a distinct branch of East-India trade, till it should come, by purchase, into the stock of the United Company, at the expiration of three years.

The

(1)—Letters from the Court of the English Company to the Agent and Council at Banjar-Massin, in Borneo, 25th June, 8th October 1707, and 16th April 1708.

CHAP. III.
1707-8.

Political state of the Mogul Empire, in consequence of the civil wars for the succession.

The events in Hindostan, at the death of Aurungzebe, though they cannot be connected in a series, from the documents preserved among the Company's records, may be appreciated from the effect which they had on the safety and trade of the different Presidencies; and as the detail is founded on the authority of persons interested in the recital, both from a sense of safety and of duty, it will furnish facts, by which we can form an opinion of the consequences of the death of Aurungzebe, on the Mogul Empire.

In this season, therefore, we must continue the arrangement observed in the two preceding years, respecting the foreign transactions of the Company's servants, at each of their Presidencies; that is, the events which more immediately affected the countries in which the seats of their trade were situated, both with respect to safety and commerce, and the measures of the European Companies, struggling to preserve their privileges, amid these general political convulsions:—we can, thus, discover the sources of the first efforts of the servants of the United Company, to uphold the privileges and trade of their predecessors, and to wind up, and bring into one concern, the remains of the London and English Companies.

Relaxed state of the Mogul power in the provinces on

At the close of the preceding season, the death of Aurungzebe was generally known, with the result of the first wars for the

CHAP. III. 1707-8. the West of India.

the succession,—the victory, at Agra, of the army of Shah Aulum,—and the death of Sultan Azem and his sons,—and the accession of Shah Aulum to the Mogul throne, by the title of Bahader Shah. By these events, the Mogul Empire was, for a time, divided between Bahader Shah, the eldest son of Aurungzebe, who occupied and commanded the Central provinces, and Khan Buksh, the third son, who remained in the Decan, with that portion of the army which had been stationed in that favourite theatre of Aurungzebe's conquests.

On the authority of the letters of the different Presidencies, we discover, that Khan Buksh had availed himself of the will of the late Emperor, and was assuming the government of that portion of it, which it was understood, in India, had been assigned to him:—in these provinces he took the title of King of India, or King of Visiapore and Golcondah. From the BOMBAY and SURAT dispatches we learn, that, notwithstanding the victory of Agra, Bahader Shah continued in the field with his army, confirming and consolidating his power at Delhi, but left the Western provinces, in the vicinity of Surat and Bombay, (where he had no competitor,) to the administration of the officers who had been stationed in them by the late Emperor, without, however, supporting them by a military force, to keep in check the incursions, or conquests, of the Hindoo or Mahratta States.

Cautious policy of the Mahrattas, in their applications for military stores,

The Hindoo Chiefs had, for a long time, been preparing armies to assert their independence, when the power and authority of Aurungzebe should be dissolved, or when the civil wars for the succession

CHAP. III.
1707-8.

to the General at Bombay and Presidency of Surat, preparatory to a general war against the Mogul Empire.

sion should divert the Mogul forces, which, during the administration of the late Emperor, might have been brought to repel their incursions, or to crush their rising power. These events explain the circumstances which more particularly affected the European trade at Surat, the safety of Bombay, and the Factories on the Malabar Coast, connected with the countries which more immediately formed a part of the Mahratta dominions.

This powerful people, it appears, though hitherto kept in check by the impressions which they had felt of the talents and energy of Aurungzebe, and though prepared to act on the first information of his death, paused, when that event actually took place, in entering on the war which they had meditated: a feeling which has often occurred, in every part of the world, on the death of a great and wise Sovereign, because the memory of his character upholds his Empire, till the weakness of his successors convinces neighbouring nations, that neither the force, nor the wisdom, with which he had supported his authority, remained to oppose them:—Surat, for this reason, was described, immediately after the death of Aurungzebe, and during the first war for the succession, to have continued quiet and undisturbed, and the Mahrattas, under the "Sow-Rajah" (Sahojee), a prince whose talents and wisdom were equal to those of his predecessors, Sevagee and Sambajee, to be rather preparing for, than entering on hostilities against the Mogul. At this juncture, Sahojee addressed a letter to the General at Bombay, requesting a supply of arms, ammunition, European soldiers, and money:—The actual situation of the Mahratta frontiers, inland

inland and maritime, accounts for this suspension of action, and for the provident measures which this cautious Chief adopted, to consolidate his own power, before he should proceed to actual hostilities against the Mogul Empire.

Sahojee, on the one hand, was aware, that the Mogul army still remained in the Decan, and that Khan Buksh had proclaimed himself King of Visiapore, or Bisnagur, (that is, of the countries which Aurungzebe had conquered, and had proposed to form into a large Soubah, which, by its situation, would keep in check the Hindoo Powers, and prevent their incursions, either into the interior provinces, or into the Carnatic;) and, on the other hand, he had observed, that his conquests on the Malabar Coast might be checked, by the depredations and force of the Arab fleets from Muscat.

First naval establishment, by Conajee Angriah, on the Malabar Coast.

The Arab fleets, which had, hitherto, only appeared as cruisers, overpowering the trade on the Malabar Coast, were now adopting a more regular system of naval war, for they had obtained from the King of Pegu, permission to build ships at the ports in his country, and had spread their fleets over the seas which surround the Peninsula of India: already some of their ships carried from thirty to fifty guns, and they had made descents on several towns on the Malabar Coast, both to obtain plunder and a fixed station, from which they might annoy the trade, or with their collected fleets, resist the Mogul, or Mahratta fleets, or the more powerful vessels of the European nations.

 The

CHAP. III.
1707-8.

The Mahrattas, on this occasion, equipped a fleet of sixty vessels, between Bombay and Goa, which acted not only with the view of repelling the Arab fleets, but as pirates against all defenceless vessels; while Conajee Angria, a Mahratta Chief, had, at this time, a fleet of considerable force, which had piracy for its only object, and though occupying a port in the Mahratta country, and, therefore, deemed hostile to the Moguls, yet, like all Indian chiefs, kept his own power distinct, though he acknowledged a kind of political relation with the sovereignty with which his ports were connected.

Impolitic conduct of of Sir Nicholas Waite, in his disputes with the Presidency of Surat.

In a situation so critical, with respect to the Native Powers, we might have expected unanimity between Sir Nicholas Waite, as General at Bombay, and the Company's Agents and Council, at Surat, but discover only reciprocal animosities. Sir Nicholas Waite accused them of acting independently of his authority, and of assuming the title of President and Council of Surat, of refusing to send him copies of their books and consultations, and preventing the trade being brought from that port to Bombay; and the Agents justified themselves, from the necessity of such measures, because he had not only sent them no stock from Bombay, but no instructions which it was practicable for them to execute, and, therefore, to preserve the Factory and trade, they had been obliged to contract debts, on the United Company's account, to the amount, this season, of 48,000 rupees.

With such an opposing administration, it is not surprising to find, that the separate interests of the London and English Companies

Companies were not even hinted at, or Sir John Gayer's confinement at Surat mentioned; and it is, also, not surprising, that any application for a Phirmaund was impracticable, more particularly with the example of the Dutch before them, who, though supported by the appearance of force, had hitherto been unable to obtain that Phirmaund, the granting of which was among their stipulations in their treaty with the Governor of Surat; and that the amount of the investments, this season, do not appear on record.

To cover these defects, the arrangements respecting the revenue, and the request of an additional force for the defence of the Island of Bombay, formed the principal subject of Sir Nicholas Waite's report: he stated, that the arrack farms had been placed in the hands of Agents, who were to manage them, because, when put up to sale, no person offered to take them;—that the same method had been adopted with the tobacco farms, by which a gain had been made, this season, of 22,328 xeraphins;—that the Out-factories had, this year, been unproductive, no pepper having been obtained at Carwar, from the confusion in the country, occasioned by a war between the Zamorin, and the King of Cochin;—that though the Company had been offered the cession of the fort of Cranganore, at which the Dutch were engrossing the pepper to the southward, the state of the force at Bombay was such, that he could not accept of it, as he had not soldiers to garrison the place;—that the garrison at Bombay had been weakened by death, and from not having received recruits, or stores, of any kind;—and that a

 reinforcement

CHAP. III. 1707-8.

reinforcement of forty gunners would be required, to form an Artillery company for the castle, and either a supply of seamen, or powers to impress them from the ships, with proper officers, military and naval, to command them. (1)

Agent Lock's report on the separate interests of the London Company, in Persia.

When the situation of the Company's general and particular interests at Bombay, at the time when it was the duty of Sir Nicholas Waite to bring them into a state to be assigned to the United Company, without being clogged with arrears, is contrasted with the situation of their affairs in PERSIA, (an Agency dependent on Bombay,) it will afford an additional proof of his misconduct.

On the relative circumstances of the Agent and Council in Persia, with respect to the government, it is stated, that the captures by the Arab and Mahratta pirates had been so numerous (the Diamond, a vessel from Bombay to Gombroon, having been taken on her voyage, in the month of February) that the King of Persia proposed to send Mirza Nazir, a merchant, to Bombay, and a nobleman, as his Ambassador, to Batavia, to solicit naval aid against the pirates. It was of importance to prevent the first plan, because Bombay was not in a situation to receive an Envoy, either by the appearance of its strength, or by having disposable shipping for the service solicited; and of equal importance to prevent the second plan, because it might afford, if complied with, a preference to the Dutch in the Persian market; and, therefore, it only remained with the Agent to promise, as soon as

(1)—Letters from the General and Council at Bombay to the Court of Managers, 27th September, 26th November 1707, and 25th March 1708.

as the war in Europe should cease, that a sufficient naval force would be sent to destroy the pirates.

Under these circumstances, the Agent made considerable exertions, in the years 1706-7 and 1707-8, to recover the debts due to the London Company. In the former year he had received the greatest part of the arrears of customs, due at the time of the Union, or July 1702, which should be consigned to Sir John Gayer and Council at Surat; but not having been able to dispose of their cloth at Ispahan, except at a loss, he had sent it, with four thousand sequins due by the Banians, to the same consignment, though he was doubtful, whether the thousand tomands, so long in dispute, or the debts at Tauris, could be recovered.

In February 1707-8, however, Agent Loek congratulated the London Company, on having, at last, brought their separate affairs to a conclusion, as he had recovered the whole of the arrears of customs due to them, up to 22d July 1702, amounting to 2,306 tomands, and also their other separate debts, and consigned them to Sir John Gayer, at Surat, with the exception of those at Tauris, and the thousand tomands, which had been entered on the United Company's books, as *Bad Debts*, and thus had wound up the separate interests of the London Company, in PERSIA, in which they had no longer any books or accounts remaining. (1)

The

(1)—Letter from the General and Council of Bombay to the Agent and Council in Persia, 12th May 1707.—— Letters from the Agent and Council at Ispahan to the Court of the London Company, 25th and 30th July 1707, and 16th February 1707-8.

CHAP. III.
1707-8.
President Pitt's interesting report, on the political situation of the Mogul Power in the Decan and Carnatic.

The events which marked the first year of the civil war for the succession to the throne of the Mogul, and the degree in which they affected the provinces of that Empire, in the more immediate vicinity of Delhi, have, (as far as they could be collected from the Company's records, regarding Surat and Bombay,) been referred to, in the first article of the foreign transactions of this season; and, as the evidence was given by persons who were in a situation to relate what they had observed, and whose safety and duties were affected by them, the authenticity of the detail is unquestionable. We have, next, to collect from similar sources, those transactions, which were more immediately under the notice, or affected the trade and safety of the Company's establishments, on the COROMANDEL COAST, which rest on the authority of President Pitt, whose talents and probity, in the whole of his administration, raised him above the rank of any of his predecessors or contemporaries.

After the battle of Agra, President Pitt stated, that Shah Aulum, or Bahader Shah, had been recognized as Mogul, in the Central provinces of the Empire, and had continued in them, confirming or consolidating his power; but had left the Western provinces, with which Bombay and Surat were connected, to the precarious defence of the officers to whom Aurungzebe had entrusted them;—that the Mahrattas, instead of profiting from the circumstances in those countries, either by incursions or by conquests, had rather paused in acting, and were preparing for a more regular war, by seeking supplies from the

the European Factories, of arms and ammunition, and the aid of European soldiers, to assist in disciplining his army, and in the management of that artillery, of which Sahojee appears, even at this early time, to have anticipated the importance.

In the Decan, from the report of the preceding year, it appeared, that Khan Buksh remained at the head of the army which Aurungzebe commanded at the time of his death, and, instead of setting up for the throne of Delhi, was rather availing himself of that division of the Empire, which had been assigned to him by the will of his father, than taking measures for asserting his claim to the throne, or for preserving the integrity of the Mogul dominions;—and that his object seemed to be the founding of an independent sovereignty in the Decan, to be extended from Visiapore, over the provinces bordering, on the one hand, on the Mahratta possessions, and, on the other, over the countries which stretch from this capital to the Carnatic, and include its Southern provinces. In this situation, the lesser Princes, or Nabobs, were uncertain what line of conduct they should pursue, for they had received no orders from Delhi, requiring the declaration of their obedience to Bahader Shah, and were afraid, from the vicinity of Khan Buksh's army, either to refuse submission to him, or to recognize his sovereignty.

The Nabob, who commanded in the provinces in the vicinity of Madras, assembled, what, in modern times, would be called an Army of Observation, partly to overawe the provinces, and partly

CHAP. III. 1707-8. partly to resist the pretensions of Khan Buksh, till such time as he should receive orders from Delhi for his conduct, or till he should discover whether Bahader Shah acquiesced in the possession of Visiapore, and its dependencies, by his brother. This appearance of force so far influenced the measures of Khan Buksh, that he sent a considerable army into the Carnatic, under his son, to require that the Nabob should either declare his allegiance to his sovereignty, or act in open hostility against him.

President Pitt described these armies to be large, and approaching each other, but that, before coming to action, each, probably afraid of the issue, had agreed to an armistice, for four months;—and that the Nabob had given a large bribe to Khan Buksh, to withdraw his army, and retired with his own, from the vicinity of the English Settlements.

On the part of Khan Buksh, this hostility appeared to have been a measure of precaution only, for no sooner was the Nabob's army withdrawn, than that of the Sultan marched into his country, and in so menacing an attitude, that President Pitt took the best means he could, for the defence of Fort St. George, and intimated to the Court, the necessity of warding off the attack, by making a large present to this Sultan.

One circumstance strongly marks the uncertainty, at this juncture, of who, ultimately, would become the possessor of the Mogul throne. In Bengal, the sovereignty of Bahader Shah had been generally recognized, but, from the preceding events, it was doubtful, whether, in the Decan, that of Khan Buksh might not ultimately prevail; for the Bengal Council sent to Madras

Madras, a rupee coined by Bahader Shah, (or Shah Aulum,) and desired that all rupees coined at the Fort, for Bengal, might be conformable to this specimen, as such coin, only, would be received, or pass in Bengal, whereas, at the Fort, those rupees could not be circulated, for fear, as President Pitt expresses it, of giving offence to Khan Buksh, the apparent King.

Embarrassed situation of Madras, from disputes between particular Casts of its Native inhabitants;

The situation, thus, of President Pitt and his Council, as far as regarded the Mogul and Native Powers, was delicate and perilous, and not less so at Madras itself, from the disputes which had arisen between the two principal Casts of Natives, inhabiting the Black Town, one of which he described by the name of the *Right Hand*, and the other, the *Left Hand Cast*; the former principally comprehending the boatmen, washermen, fishermen, barbers, and other servants; the latter, merchants, carpenters, blacksmiths, goldsmiths, oilmen, and shoemakers:—each threatened to leave the place, unless a superiority was assigned them over the other, and to retire to St. Thomé, or to the Dutch Settlements, which were disposed to receive them, from the expectation of revenue arising from their industry. The President, though he endeavoured to place them in separate quarters of the town, and set up stone pillars, to prevent their interferences with each other, yet was not able to stop the partial desertions of the *Right-Hand Cast* from the place, and was obliged, by conciliatory means, to pay attention to their prejudices, that he might preserve useful inhabitants, on whom the trade and revenues depended.

CHAP. III. 1707-8. —and from the power of the Arab fleets.

With dangers, therefore, from external enemies, and from internal disputes, it required energy and wisdom, to preserve the Settlement, at a time when the trade of the port was exposed to the depredations of the Arab pirates, who, in this, and the preceding season, had taken ships and goods belonging to the Madras merchants, to the value of two lacks of pagodas. These events prepare us for the inference which President Pitt drew from them, or that, since the Mogul's death, there appeared only plundering parties from the different armies, and that it had been impracticable to carry on inland trade, or collect investments; and not less so, from the great strength of the Arab cruisers, to maintain a trade at sea, as the country vessels did notdare to leave their ports.

Having given this view of the political and commercial circumstances of the Coast of Coromandel, it is surprising to find, that any means could have been devised, for providing an investment; and yet it appears, that a contract had been made at Fort St. David's, for Coast goods, to the amount of eighty thousand pagodas, with discretionary powers to increase the purchases to thirty or forty thousand pagodas more, if the goods could be procured. These contracts, however, are rather to be viewed as measures for preserving the trade, by keeping up the demand on the industry of the Natives, than as obligations which, from their character, they would fulfill. "When the "Europeans," President Pitt observed, "first settled in India, "they were mightily admired by the Natives, believing they "were as innocent as themselves; but since, by their example, "they

"they are grown very crafty and cautious, and no people better "understand their own interest, so that it was easier to effect "that in one year, which you sha'nt do now in a century, "and the more obliging your management, the more jealous they "are of you."

The revenues of Madras depressed by these events, and by a stagnation of trade.

The resources for the investments, under all these circumstances, were, therefore, chiefly to be expected from England, because the revenues had been affected by the stagnation of trade; and none could be drawn from Vizagapatam, as it was a place rented of the Nabob, while those of Madras were diminished by the vicinity of St. Thomé, which it would be expedient to rent or purchase, (whatever it might cost,) to remove neighbours, ready to take advantage of the prejudices, or the interests of the Natives.

Measures of President Pitt, to wind up the separate interests of the London Company;

The resources, this season, were also affected, by the large payment required from the United Company, to liquidate the claims of the London and English Companies; payments which had been retarded, by the obstinacy and ignorance of the Council, though President Pitt determined, against all opposition, to bring these separate concerns to a close:—he, therefore, submitted, that men should be appointed, qualified to act as Members of Council; "for though there were two Chairs "then vacant in Councill, they were just as useful, as the "persons who lately filled them." Under these difficulties, he, however, had dispatched the ship Duchess to England, with an investment, estimated at 95,410 pagodas

—and of the English Company

On the separate affairs of the London Company, President Pitt reported, that he had recovered 5,100 pagodas, due to them

CHAP. III. 1707-8. them by the Native Merchants, and had demanded, and received from the United Company, the sum of 23,977 pagodas, due, by them, to the London Company, which he had remitted to Bengal, and made applicable to the payment of their debts at that Presidency, amounting to 164,449 rupees;—that he had sent home goods, on their separate account, to the value of 7,782 pagodas; and that there were still due to them, from the Native Merchants, about twenty thousand pagodas, of which he had received three thousand, and was in expectation of recovering five thousand more, but that the remainder must be inevitably lost.

On the separate affairs of the English Company, President Pitt reported, that he had endeavoured to put off the claims of the Native Merchants, who were very clamorous for payment, 'till the arrival of the next shipping, it being impossible to take up money at interest on the English Company's credit; and, therefore, though he had received all their accounts, relative to Masulipatam and Madapollam, it would be expedient for them to send money, or English broad-cloth, to pay off their debts on the Coast of Coromandel.

It would still appear, even in this season, that the Agent and Council at BENCOOLEN had continued to rely for resources, as well as protection, on the Presidency of Fort St. George; for they drew, in this year, bills on the Fort, to the amount of 54,730 dollars, which, on account of winding up the general interests on the Coromandel Coast, had been returned protested; but a vessel had been sent with saltpetre and

bale

bale goods, to obtain a return of pepper from that settlement, and twenty-four Topasses, as a reinforcement to the garrison. President Pitt, in concluding this subject, expressed his apprehensions, that Bencoolen was in a perilous situation, and wished it might not meet the fate of Banjar-Massin, which will be described in the sequel.(1)

Report of the United Council at Calcutta, on the political situation of the Bengal Provinces, which acknowledged Bahader Shah as Mogul.

The BENGAL Provinces, at this juncture, were neither exposed to invasions by the Mahrattas, nor to the movements of the Mogul armies, because the countries between the seat of Empire, and the Ganges, acknowledged the sovereignty of Bahader Shah. From the Company's records it appears, that though the right of this sovereign was acknowledged in the Central provinces, the Europeans doubted of the permanency of his power, for they suspended the giving of bribes to his officers, for grants of trade, and did not place any reliance on their protection of the Out-factories.

The United Council, therefore, adopted measures of precaution, only; for they withdrew the Factories from Cossimbuzar, and from Patna, and ordered all the English down to Calcutta, that neither the Company's servants, nor their property, might be exposed to the depredations which always attend civil commotions.

(1)—Letters from President Pitt and Council at Fort St. George to the Court of Managers of the United Company, 10th October, 22d December 1707, and 22d January 1707-8. —— Letters from President Pitt to the Court of the London Company, 6th December 1707, and 22d January 1707-8. —— Letters from President Pitt, Mr. Fraser, and Mr. Raworth, to the Court of the English Company, 6th and 19th December, 13th and 22d January 1707-8.

CHAP. III. 1707-8. motions. On this occasion, therefore, they deemed it prudent to withhold the thirty thousand rupees, which they had promised the Duan for his "Sunnud," till such time as the Government should be settled, when they would, according to circumstances, take the best method in their power to obtain grants, or Phirmaunds, from the new Sovereign.

The only change which appears to have been made, at this crisis, was, that the Duan, with whom the United Council had been negotiating for a "Sunnud," was raised, by the new Emperor, to the rank of Nabob of Orixa. This event rendered precaution still more necessary, till it should be ascertained, who was the person who might succeed him as Duan, or what views this new officer might have, in protecting, or in oppressing, the European Companies:—in the mean time, as the authority of Bahader Shah seemed to be acknowledged, the United Council (as mentioned in the Madras transactions) sent a specimen of the new Emperor's rupees to Madras, with a recommendation, that the silver coined there, for the Factories in Bengal, might resemble it, and not give offence to the Native Officers, administering the government in the name of Bahader Shah. Under such circumstances, the United Council submitted to the Court of Managers, the necessity of strengthening the works at Fort William, to protect the encreasing inhabitants of Calcutta, and that a supply of fifty pieces of brass cannon would be required for this service.

State of the United Company's

It was at this crisis, that the United Council recommended to the Court of Managers, the project of bringing Lahore indigo to

to Bengal, as a safer and cheaper transit, than sending it to Surat; and informed them, that they had dispatched, for Europe, the ship Rochester, with an investment estimated at 60,110 rupees.

trade in Bengal.

On the separate affairs of the London Company, the Council next reported, that they had shipped, on their account, on the St. George, goods to the amount of 54,300 rupees; and on the Rochester, 35,800 rupees; and that there would remain thirty-eight thousand rupees, to clear off, in part, their remaining debts in Bengal.

— of the separate interests of the London Company.

On the separate affairs of the English Company, the Council reported, that Sir Edward Littleton died on the 24th October 1707, and that an inventory had been taken of his estate, in money and goods, which amounted only to 11,354 rupees, but that he was indebted to them, in the sum of 227,572 rupees;—that they had received all the money due by the United Trade to the English Company, amounting to 43,302 rupees, which they would invest in fine Bengal goods, and send them on the next ships. (1)

— of the English Company.

The favourable accounts which had been received, in the preceding season, from Banjar-Massin in Borneo, like those, in a former year, from Pulo-Condore, were the prelude, only, to similar

English Company's servants expelled from Borneo, at the instigation of the Chinese.

(1)—Letters from the United Council in Bengal to the Court of Managers, 13th October, 24th December 1707, and 26th January 1707-8.——Letters from the Separate Council of the London Company in Bengal to their Court of Committees, 2d January 1707-8. —— Letters from the Separate Council of the English Company to their Court of Directors, 17th December 1707.

CHAP. III. 1707-8.

similar disasters, with those which that Island had experienced;—The Natives suddenly attacked the English Settlement, on the 27th June 1707, and though they were, at first, beat off, the loss of the English, in killed, was so great, that it was with difficulty the survivors escaped on board the ships, and, from the death of Agent Barré, which left them without a superior, it was resolved to abandon the place:—the Company's treasure on board the ships was saved, but the loss on shore was estimated at fifty thousand dollars.

Mr. Cunningham, one of the Company's servants, who had escaped the massacre at Pulo-Condore, and had, for some time, been prisoner in Cochin China, from which he had proceeded to Batavia, and thence to Banjar-Massin, to take charge of that Settlement, ascribed the sudden attack of the "Banjareens" to the instigation of the Chinese, who, jealous of the proportion of the trade in pepper which the English had acquired, foresaw that their fortifications would enable them to overawe the inhabitants, and, therefore, persuaded them to expel their rival, and, in this manner, put a period to the projects of intermediate stations, for facilitating the exchanges of European and Chinese produce. (1)

The characters of the Interlopers employed by the English

It is memorable, at the close of the Annals of the two Companies, that all the projects of the English Company, in India, and in China, terminated in disasters and losses, from the

(1)—Letters from Mr. Cunningham to the Court of Directors of the English Company, 29th April and 26th July 1707.—— Letters from the late Council at Banjar-Massin to the Court, 24th July 1707.

Company, the source of all their misfortunes.

the intemperate proceedings of their Presidents, Sir Nicholas Waite, Consul Pitt, and Sir Edward Littleton; but, if it be recollected, that the persons appointed to establish and manage their affairs, were either Interlopers, or servants of the London Company, who had been dismissed for breach of trust, we discover, in the character of the English Company's Consuls and Presidents, full evidence of the causes which overset their affairs, and of the misfortunes of Sir William Norris, who was first deceived, and, subsequently, fell a sacrifice to the jealousy and revenge of Sir Nicholas Waite, and Consul Pitt.

Among the domestic measures of this interesting season, we have observed the preference given by the Court of Directors of the English Company, to bring home the remains of their property, at their ill-fated Settlement at Borneo, on a ship belonging to the *Separate Stock*, expressly hired for this service; and it has occurred, in the Annals of almost every year, that on the small fund of £23,000, which originally belonged to the Proprietors of the *General Society*, who refused to become Members, or Adventurers, of the English Company, that equipments had been fitted out, and trade carried on, if not as a distinct Company, at least as Adventurers, independent either of the English, or of the London Companies; and that this concern was allowed to remain as such, for three years, under the Act of Parliament, the 6th Queen Anne, cap. 17. It is difficult to account, on any other principle but the opposition and animosity of the two Companies, for the toleration of this trade, and for their not having made applications to have it suppressed, after

 the

CHAP. III. 1707-8. the Deed of Union, in 1702:—in the progress, however, of their affairs, we find, that the ships of this Separate Stock frequently became not only the means, by which the property of the servants of both Companies found its way to Britain, but on which their servants, who had incurred their displeasure, preferred embarking themselves and their effects, rather than on foreign vessels, or the ships of either Company. It was on one of these separate trading vessels (the Scipio) that Sir William Norris, after his unfortunate Embassy, embarked for Europe, instead of taking his passage on the ships of the English Company, which had originally employed him:—and, in this season, we find, from the Company's records, three of these Separate Stock ships, the Great and Little London, and the Windsor, at the port of Gombroon, with goods from various parts of India, taking in investments of Persian goods for India, and for England; and the same number of these ships, freighted by the inhabitants of Madras, for Bengal, Surat, and Persia;—facts which sufficiently refute the opinion, that the traders on the Separate Stock did not exist, or that this stock was merged in the greater concerns of the London and English Companies, which terminated in their Union. (1)

The

(1)—Letter from the Agent and Council at Ispahan to the Court of the London Company, 25th July 1707.—— Letters from the President and Council at Fort St. George to the Court of Managers 10th October and 22d December 1707.

The Annals of this interesting season having explained the sources of the Act of Parliament, which constituted the Lord Treasurer Godolphin, Arbiter of the rights and privileges of the London and English Companies, and empowered him to examine and ascertain the reciprocal credits and debts of both, that the Union might be perfected under the authority of the Legislature, and the domestic proceedings of the Court of Managers, and of the two separate Courts, having discovered their full acquiescence in this arrangement, we are prepared to detail, in the provisions of this Award, one of the most wise and solid legal decisions, to be found in the political or commercial history of the realm.

Substance of the Award of the Earl of Godolphin, which completed the Union of the London and English Companies, and established THE UNITED COMPANY OF MERCHANTS OF ENGLAND TRADING TO THE EAST-INDIES.

The Award of Sidney, Earl of Godolphin, Lord High Treasurer of Great Britain, dated the 29th September 1708, was introduced with a recapitulation of the powers with which his Lordship had been vested by the Act (the 6th of the Queen, cap. 17) by which he was appointed Arbiter, in all matters between the London and English Companies, and the United Company, and that his Award should be held as final and decisive.

Having heard all the parties, by counsel, on their respective rights, he decided as follows:—That all debts or money due to the Old, or London Company, in India, China,

 Persia,

CHAP. III. 1707-8. Persia, St. Helena, &c., and also all debts due to the English Company, in India, China, &c., and the separate goods, wares, and merchandize of both Companies, loaded on ships in India, and which might not arrive in the river Thames, before the 1st September 1708, should become the stock or property of the United Company;—that the London Company should transfer to the Queen, by Indenture, under their Common Seal, all their foreign debts, or debts due to them in India, before the 31st October 1708, to the intent, that the Queen might regrant the same, within ten days after that date, to the United Company;—that after such regrant, or transfer, by the Queen, the United Company should be liable to pay the separate debts, both of the London and English Companies, in India, that is, in all countries within the limits of their Charter.

The Award then proceeded to ascertain the debts due by the London and English Companies, on their separate accounts, in India, and decided the manner in which they were to be liquidated, that the whole concern might pass clear into the hands of the United Company.

The Award found, that the estate and effects of the London Company would not be sufficient to pay their foreign debts, or debts in India, to which debts the United Company would become liable, from the date of this Award; and, therefore, decreed, that the London Company should pay by instalments, to the United Company, the sum of £96,615. 4*s.* 9*d.*

The Award farther found, that the estate and effects of the English Company, in India, would exceed their separate debts, and

and, therefore, decreed, that the United Company should pay the sum of £66,005. 4s. 2d. to the Directors of the English Company, for the use of their respective members; but that the debt due by Sir Edward Littleton, in Bengal, amounting to 80,437 rupees, 8 annas, was still to remain to the English Company, on their additional stock, and not to be added to the United Stock, as a debt in the East-Indies.

The Award then proceeded to ascertain the debts of the London and English Companies, on their separate accounts, in Great-Britain, and, in general, decreed, that all those debts should be paid and discharged, by both Companies, before the 1st March 1708-9.

The Award then found, that the London Company were indebted to a large amount in Great-Britain, and, therefore, empowered them to call on their Adventurers, or Proprietors, to raise £100,000, before the 1st December 1708, and £100,000, before the 1st February 1708-9, and such farther sum, before the 1st March 1708-9, as would be sufficient to clear off all their home debts; and then, taking into view the sum which had been advanced by the London Company, at the Union, to equalize the stock of the two Companies, (or what was termed the Seventy per cent. additional stock,) decided, that when the London Company should have raised the first £100,000, the United Company should repay to them one-third of the said money, or additional stock, advanced by them at the Union, for carrying on the United Trade; and when they should have raised the second

£100,000,

CHAP. III. 1707-8. £100,000, another one-third part of the said additional stock should, in like manner, be repaid; and when they should have raised a sum sufficient to defray all their debts in Great-Britain, the remainder of the said additional stock should be repaid, with the exception of £70,000, which was to be reserved, as a security, or penalty, that the London Company would surrender all their Charters to the Queen, on or before the 25th March 1709, which sum, on their failing to make such Surrender, was to be forfeited to the United Company, excluding, however, all such Members of it, as might have been Members of the former London Company; but, in the event of such Surrender being made, on or before that day, this sum of £70,000, was to be vested in trustees, who were to be authorized to pay any remaining debts of the London Company, that might, at that date, be left unpaid; and should any surplus remain, such surplus was to be distributed among the Members of the London Company.

The Award farther decided, that the London Company, if they should think fit, before the day specified for the Surrender of their Charter, might assign to the Queen, such debts owing to them, in Great-Britain, as they might not be able to get in, before that date, to the end that the same might be afterwards re-granted to trustees, for their benefit;—and, lastly, it decided, that the London Company should transfer, before the 19th March 1708-9, to their separate Members, all such stock, in the proportion of their respective shares, as the said London Company might have in the stock of the United Company, and

that

that the Members having right to it, should be admited to all the privileges of Members of the United Company.

CHAP. III. 1707-8.

This Award, proceeding on the authority of the Act of Parliament, was to be confirmed, in all its parts, by a Decree of the High Court of Chancery.(1)

This Award explained, by an authenticated account of the debts and credits of the London Company.

The following interesting authenticated document, signed by the Company's General Accomptant, and his Deputy, dated the 29th September 1708, will afford the best illustration of the preceding Award.

"The

(1)—Lord Godolphin's Award, dated 29th September 1708. (Printed Collection of Charters, page 345.)

CHAP. III.
1707-8.

"The GOVERNOR and COMPANY of MERCHANTS of LONDON trading to the EAST-INDIES, their Account Current.

D^{r}.	£.	s.	d.
"To money at int^{t}. owing to sundry on the "the Comp$^{y's}$. seal - - - - -	1,035,448	9	3
"To 6 month's int^{t}. thereon, due this day -	31,063	9	1
"To int^{t}. for several bonds y^{t}. may have 12 "or 18^{mos}. due - - - - - -	3,000	0	0
"To int^{t}. on bonds owing more than the 70 "per cent. will pay, from this day to the "1st March next - - - - - -	6,425	16	7
"To Almshouse at Poplar, owing to them -	2,700	0	0
"To customs, and to freight, and to several "persons for goods sold in private-trade.	9,728	10	9
"To customs and freight due to the United "Company - - - - - - -	16,312	5	3
"To money owing several for int^{t} on their "stock, not demanded - - - - -	6,918	18	5
"To a moiety of Factors' sallarys payable "here, and money p^{d} into the Comp$^{a'ys}$. "cash in India, to be repaid here - -	25,000	0	0
"To charges from this day to the 25th March	10,000	0	0
"To balance of the Indian accompt, as by "the Lord Treasurer's award - -	96,615	4	9
"To difference on £28,000 stock in contra, "with the present market price, 85 per "cent. - - - - - - -	6,429	3	5
"To difference on the £1100: 10s. in contra,	165	10	0
"	£1,249,807	7	6

C^{r}.	£.	s.	d.
"By 70 per cent. on £988,500, due fr^{m}. "United Comp^{ny} - - - - - -	691,950	0	0
"By int^{t}. thereon, due this day - - -	20,758	10	0
"By six months' int^{t}. on the fund, due at "Christmas - - - - - - -	39,540	0	0
"By the 8 and 12 quarterly payment on "£315,000, subscribed to the fund -	12,600	0	0
"By a moiety of 5 per cent. p^{d}. by y^{e} Sepa- "rate Traders to y^{e} United Company -	8,328	15	8
"By disbursements for y^{e} United Company	17,000	0	0
"By £28,000 stock, in the names of Charles "Du Bois and T. W. in trust, and int^{t}. "thereon to the 1st March next - -	30,229	3	5
"By £1100. 10s. stock, in the name of Rob^{t} "Blackborn, in trust - - - -	1,100	10	0
"By goods remaining in the warehouses -	1,000	0	0
"By good debts in England - - -	3,000	0	0
"By cash remaining this day - - -	24,504	19	4
"	850,011	18	5
"By Ballance -	399,795	9	1
"	£1,249,807	7	6

"London, 29th September 1708.

(signed) "SAM. WATERS, *Acco^{t}. Generall.*

"J. FLETCHER, *Deputy.*

CHAP. III. 1707-8.

Final instructions of the Court of Committees of the London Company and of the Directors of the English Company, to their respective Presidencies and Factories in the East-Indies.

On the basis of this Award, and of the account subjoined to it, the Court of Committees of the London Company, and of Directors of the English Company, closed their separate concerns, with the following circular letter to all their Presidencies, Settlements, and Factories, in India.

" To all and every persons whatsoever, that have been " employed in the service of the Governor and Company of " Merchants of London trading to the East-Indies, the English " Company trading to the East-Indies, at Fort St. George, and " elsewhere on the Coromandel Coast, &c. (Bombay, Surat, " Fort William, &c. &c.)

" Srs.:—

" This serves to inform you, that in the Act of " Parliament past last Session, for making a further loan of " £1,200,000 to the Government, which Act went to all parts " of India, by the last shipping, there was a clause empowering the Most Honorable Sidney, Earl of Godolphin, Lord " High Treasurer of Great-Britain, to settle, by his Lordship's " Award, the terms of a perfect, speedy, and complete Union " between the two Companies; in pursuance of which, his Lordship has made and published his Award, and thereby directed " that all the effects of the Old and New Company, in all places " whatsoever, within the limits of their Charter, or elsewhere, " that were not imported into England, by the 1st of September " last, should be made over and vested in the United Company; " and that the Old Company should assign unto Her Majesty, " by Indenture, under their Common Seal, to be enrolled in

CHAP. III. 1707-8. "Chancery, all monies owing or answerable to them, beyond "the seas, to the end Her Majesty may be pleased to grant the "same to the United Company, which has been accordingly "complied with; and the New Company are likewise directed, "that all the debts owing them, on account of their shares, "shall be vested in them, for the benefit of the United Com-"pany, which will be taken care of in like manner; and the "United Company are to pay all such debts in the East-Indies, "as shall appear to be justly due from either Company, so "that, from the 29th September last, the date of the said "Award, neither the Old or the New Company, on their sepa-"rate accounts, have any thing farther to do, or to be at any "further charge, in the East-Indies, Persia, China, St. Helena, "or elsewhere, beyond the seas, on any account whatsoever, "as we, on our parts, now do, by these presents, write to you, "and all other our Settlements; and so the New (Old) Com-"pany do and will, on theirs, inform, in like manner, all their "servants employed on their separate affairs; being the result of "the Award, as to what concerns India, we hereby direct, that "you, on receipt hereof, or so soon after as the first conveniency "will allow you, do give in an account of all debts and demands "whatsoever, owing or due to us, or upon our account, and "make the same over to the United Councill, for the account of "the United Trade; and that you do also deliver to the said "Council, all our books of accounts, as well the general books, "as those kept by any inferiors, whether the warehouse-keepers, "warehouses, store-keepers, pay-masters, mint-masters, charges

"generall,

" generall, or any other books, which contain any accounts of " disbursements, receipts, or payments of our money, or goods, " of what nature soever, and also all consultation books, regis- " ters of letters received or sent, and all originall Phirmaunds, " or other grants from the Country Princes or Governours, and " the copys thereof, if you have any, and all other books, " papers, and writings whatsoever, any way belonging to us, to " the end recourse may be had thereto by the United Councill, on " all future occasions; and that all the goods and effects, what- " soever, of ours, be delivered to the said Councill, for the " benefit of the United Company, and do you draw out a list of " the said particulars, so delivered into the United Council, and " acquaint them, that it is desired they will give a receipt for " the same, according to that list, and send three of the same " tenour, by the shipping, to the United Company, entering also " the same into their consultation book, at the time when they " gave the said receipt.

" Send likewise a list of all that is...... to or from us, " within your Presidency.

" We are your loving friends,

" (Signed by the Committees and Directors of " the London and English Companies.)

" East-India House, January 28, 1708-9." (1)

Supplementary Deeds, which completed the Union.

The subsequent proceedings, required to fulfill the stipulations in Lord Godolphin's Award, though they occurred in the latter

(1)—General Letters from the Courts of the London and English Companies, to all their Presidencies, Factories, and Settlements, in India, dated 28th January 1708-9.

CHAP. III. 1707-8. latter part of this, and in the subsequent year, being measures which were necessary to complete the Union, and not forming any part of the transactions of the United Company, either in Britain, or in the East-Indies, require to be brought into view, at the conclusion of this important event, which distinguishes the two great Epochas of the *Ancient*, and of the *Modern History* of the East-India Company.

One of the provisions in Lord Godolphin's Award was, that the London Company should, by Assignment to the Queen, make over to Her Majesty, all debts due to them, in Great Britain, that Her Majesty might re-assign the same to trustees, for their benefit:—this Assignment was made by the London Company to the Queen, on the 21st March 1708-9, by a Deed, under their Common Seal.(1)

A second condition in Lord Godolphin's Award was, that the London Company should, under a penalty of £70,000, surrender to the Queen, all their Charters, rights, and capacities, as a body politic and corporate, as "the Governor and Company of Merchants of London trading to the East-Indies, by "virtue of any Charters, Acts of Parliament, or Letters "Patent;" which Surrender was accordingly made, on the 22d March 1708-9, by Deed, under their Common Seal, enrolled in Chancery, and accepted by Her Majesty, by Letters Patent, dated the 7th May 1709.(2)

This

(1)—Deed of Assignment from the London Company to Queen Anne of the Debts due to them in Great Britain, 21st March 1708-9. (MSS. in Indian Register Office.)

(2)—Deed of Surrender from the London Company to Queen Anne, of all their Charters and

This Deed is illustrated by the following statement, and explanatory note, of the debts and credits of the London Company, made up to the day on which they surrendered their Charters to Her Majesty, and ceased to be a Body Politic and Corporate. CHAP. III. 1707-8.

"The

and Corporate Capacity, dated 22d March 1708-9.—— Letters Patent accepting the surrender of the Charters of the London Company, dated 7th May 1709. (Printed Collection of Charters, page 365.)

CHAP. III.
1707-8.

" The GOVERNOR and COMPANY of MERCHANTS of LONDON trading to the EAST-INDIES, their Accompt Current.

DR.

	£	s.	d.
" To money at int[t] to sundry, owing on the " Comp[s] Seal	90,730	15	10
" To int[t] on the above sum	3,209	4	1
" To freight and several persons, for goods " sold in private trade	3,445	9	1
" To money owing several on their stock, " not yet demanded	3,599	17	8
" To a moiety of Factors' sallaries, payable " here, and money paid into the Comp[y's] " cash in India, to be rep[d] here	27,172	11	6
" To Do. for what due to several persons for " salary, to Sept[r] 1708, not before ac- " counted for	1,546	0	0
" To bills of exchange, and charges, not " yet demanded	352	7	2
"	£130,056	5	4

CR.

	£	s.	d.
" By the remaind[r] of 70 per cent. due from " the United Comp[a]	70,000	0	0
" By £28,000 stock, valued at 85 per cent. is	23,800	0	0
" By good debts in England	796	11	6
" By money due on 25 per cent.	23,116	0	0
" By cash remaining this day	5,470	13	9
	123,113	5	1
" By Balance	6,943	0	3
"	£130,056	5	4

" London, 22d March 1708-9.

" *Memorandum.*—That of the above article of Factors' " Sallaries, £5,582. 13*s.* 6*d.* is reckoned doubtfull, being of a " long standing, of w[ch] sum £3,000 is for sallarie to several " persons that were at Bombay between the year 1686 and " the time of the war, the Comp[y] not having any Books " from thence for that time, do believe they rec[d] their whole " salary at such a perilous season."

A third provision in the Award of Lord Godolphin was, that the London Company should, before the 31st October 1708, transfer and assign to the Queen, all their foreign debts, or debts in the East-Indies, to the intent that the same should be regranted to the United Company; and the London Company having, by Indenture, dated 27th October 1708, made such Assignment, the Queen, by Letters Patent, dated the 22d April 1709, signified her acceptance of this Assignment, and transferred and assigned to the United Company of Merchants of England trading to the East-Indies, all the debts or sums of money owing to the London Company, on their separate account, in the East-Indies, and granted them powers to sue for, and recover them by Exchequer process.(1)

CHAP. III. 1707-8.

In consequence of these Deeds, when the whole of the debts due by and to the London Company, in Great-Britain, were adjusted, to the time of the surrender of their Charters, the Queen, by Letters Patent, dated the 15th August 1710, re-assigned to Sir Jonathan Andrews, and other trustees, any such debts that might be subsequently recovered on their account, to be divided among the former Members of the London Company, in proportion to their respective shares or interest.(2)

If

(1)—Letters Patent assigning to the United Company all foreign debts due to the London Company, 22d April 1709.

(2)—Letters Patent re-assigning to Sir Jonathan Andrews and others, in trust, any Debts in Great Britain due to the London Company, dated 15th August 1710. (Printed Collection of Charters, Appendix, p. 10.)

CHAP. III.

RESULTS from the preceding detail of events, ascertaining the Company's rights, from the Revolution, 1688-89, to the Union of the London and English East-India Companies, in 1707-8.

If the results from the Annals of the two first periods of East-Indian affairs afforded a connected view of the sources of the rights and privileges of the London East-India Company, and of the vicissitudes to which they had been exposed, at home and abroad, in the exercise of them, the events which occurred, from the Revolution, to the Union of the London and English East-India Companies, will authorize a similar series of inferences, to the period when the United Company of Merchants of England trading to the East-Indies were vested with those rights and privileges, which they still continue to enjoy.

I.—From the preceding review of events it appears;—That if the commercial caution of the London East-India Company, during the æra of the Revolution (1688) corresponded with their character, as merchants, accustomed only to estimate their particular rights and their trade, it exposed them to more serious attacks than those made on their predecessors; and, in general, to the accusation of enjoying an odious monopoly, instead of a regulated trade, without leaving them those defences, by which their chartered rights, had formerly been preserved:—that this accusation was blended with the legal question, whether privileges, proceeding on a grant from the Crown, were valid, without the authority of an Act of Parliament, to enforce the observance

observance of them, and legal opinions were given against the Company, or that their regulated trade could not proceed, but on the basis of an Act of the Legislature to sanction it. CHAP. III. *RESULTS.*

II.—That when this question, and the legal opinions on it, were promulgated among the mercantile public, a new field was opened to the speculations of the Private Traders or Interlopers; for, in addition to the three descriptions of this class of Private Traders (or that of Individuals or Associated Adventurers, attempting a direct trade between England, and ports within the London Company's limits, not resorted to by them; that of Adventurers, acting under fraudulent connexions with their servants; and that of Adventurers, attempting trade to India, on British capital, from foreign ports), a fourth description now appeared, or that of Private Traders, who taking advantage of the opinion, respecting the legal source of privileges, were bringing forward applications to Parliament, to obtain an Act for creating a new East-India Company, in exclusion of that, which, for nearly one hundred years, had rested on the only source of privileges then known in the realm, and who, under great risks and heavy expences, before unknown, had opened and preserved the commercial relations between Great-Britain and the East-Indies.

III.—That besides the encouragement to speculators, availing themselves of the public opinions on the Constitution and Law of the Realm, recourse was had to the analogy of the

CHAP. III. RESULTS. Dutch East-India Companies, which were divided into different Chambers, all carrying on the East-India trade, by authority of the States General; and as each of these Chambers had been prosperous, it was inferred, that the experiment ought to be made, of establishing more than one Association, for carrying on the trade to the East-Indies, on separate and distinct principles; and that this plan would tend to the encrease of the navigation, and of the commerce of the kingdom :—This analogy was, however, soon overset, when, on enquiry, it was found, that the Constitutions of the Dutch and English East-India Companies were different; the one, being connected with the Constitution of the States General, the other, a distinct commercial corporation, only, which neither could have such connexion, nor any pretensions beyond looking for protection, from the established Government of their Country, and which, for ten successive years, had been making ineffectual applications to Parliament, for an Act, upon which to rest all their chartered rights and privileges, that they might resist speculators, who sought to subvert them, without being supported, either by the credit, or by the experience which they possessed.

IV.—That, from the Accession of King William, till the Treaty of Ryswick, in 1697, and while their opponents in England were only forming their plans, the London Company had been exposed, at home, to heavy charges in their equipments, and in the provision of their cargoes, from the rise of prices incident to war :—that they had experienced heavy losses by the capture

capture of their shipping, which losses had tended to lower their credit, and, in many instances, to lessen the reliance of their own Proprietors, on the stability of the concern:—that, abroad, they had, at the same time, been exposed to heavier losses, by the oppressions of the Native Powers seeking compensations from them, for the captures made of their vessels by Interlopers, who had become pirates, or associated with pirates, professedly such, fitted out in America and the West-Indies, and sailing under British colours; and that, from the state of the war in Europe, the Company neither possessed the means of fitting out fleets to extirpate the pirates, nor could obtain a squadron of King's ships for this service, and, thus, to the evils arising from domestic speculation, they had to experience those originating in foreign weakness; and, in fact, that though the Peace of Ryswick had been concluded, to balance, indeed, the Powers of Europe, it left the East-India Company, without provision being made to define the relative rights of their European rivals, or enemies, in the East-Indies.

CHAP. III. *RESULTS.*

V.—That after the Treaty of Ryswick was concluded, and the expences of the war were to be provided for, the London Company trusted the Legislature would have leisure to listen to their repeated applications, for an Act to confirm their Charter, and to give powers to the Crown to extend their privileges, as well as to afford them military and naval aids, to re-establish the British character at the principal seats of trade within their limits, particularly on

the

CHAP. III. RESULTS the East and West Coasts, and in the centre of Hindostan; instead, however, of having those reasonable expectations fulfilled, or the large sum which they offered to advance to the State accepted, a larger sum was offered, by an Association of Private Traders, who obtained, in return, the Act of 1698, establishing the General Society, as the legalized rival of the London East-India Company:—and thus, instead of relief, the natural reward of commercial, as well as of political services, the habitual opponents of the rights and trade of the London Company were established as a new Association, to whom, at a short distance of time, were to be transferred those Factories, and that trade, which the enterprize and industry of a century had created, and which the experience of that century, alone, could preserve, or maintain.

VI.—That the principle upon which the General Society approached Parliament, though it participated, in character, with those of each of the classes of Interlopers which have been described, was more specious, and, therefore, more popular than any of them; or, that the trade to the East-Indies would proceed on a stock of £2,000,000, and thus have all the advantages of the London Company's credit: but as each individual Proprietor was to be allowed to carry on a separate trade, to the extent of his share in the stock, this principle, in fact, was that of an *Open Trade*;—that this apparent advantage was combined with the large sum of £2,000,000, offered to be advanced for the public service, which induced

induced Parliament to pass the Act for establishing the *General Society for Trade to the East-Indies*;—and that, in the short space of two days after the privileges of the London Company were overset, this General Society laid aside, with very inconsiderable exceptions, the practicability of individuals carrying on trade, each on his separate proportion of stock, and obtained from the King, a Charter, on the basis of this Act of Parliament, for establishing the *English Company*, who were to carry on their trade on a *Joint Stock*, in the same manner, and under similar regulations, as the London East-India Company.

VII.—That the London Company, in their own language, instead of sinking under this accumulation of evils, had recourse "*with a true Roman Courage*," to the only effectual means of repelling them: they examined the strength of their opponent in stock, and purchased so large a proportion of it, as to be able to ascertain, and to counteract his projects;—they increased their own funds by large subscriptions, and, on these, added to their equipments, and to their exports and imports;—they excluded this rival Association from their Factories and seats of trade, being real property, which they had either purchased with large sums, or privileges which they had obtained with larger;—they placed their foreign Settlements under the controling power of a Governor General, with instructions (natural to merchants) to bear down on their rival in the market, by the magnitude of their European sales, and of their Indian purchases;

CHAP. III. RESULTS. purchases; and not contented with these exertions, obviated, by equipments to the China Seas, his pretensions to commerce in countries within their limits, which their hitherto heavy charges had not enabled them, but contingently, to visit;—and, finally, selected such of their servants, as were most distinguished for probity and experience, to resist the pretensions of rivals, who had been selected from the old Interlopers, to introduce a commerce, and to establish settlements, in ports already occupied, not only by the London Company, but by the Companies of the other European nations.

VIII.—That the English Company, on the contrary, having triumphed over the London Company, in the warfare for rights, in England, anticipated a corresponding triumph in the East-Indies:—Instead of attempting any new commercial arrangements, they merely copied those which the London Company had practised, adding the powers of King's Consul to that of President, in their three projected establishments at Surat, Masulipatam, and Hughly; and gave to the persons whom they had appointed to manage their concerns, as a general instruction, to depress the London Company's trade and settlements, by representations to the Native Powers of their having been dissolved by the King, for their improper conduct:—that the servants of the English Company insinuated to these Powers, that the London Company were secretly connected with those pirates, whom they openly pretended to reprobate, and so satisfied was the King of England of their improper proceedings,

proceedings that he had sent a special Ambassador (Sir William Norris) to the Mogul, to solicit Phirmaunds, for the introduction of trade into all the countries within his dominions; and that the English Company were, in fact, the only instruments through whom an extensive commerce could be established, between England and the East-Indies.

IX.—That the effect of this impolitic establishment of two rival Companies, in England, on the Presidencies and Factories of the London Company, in India, was, to abridge the commercial efforts of their servants, in the exercise of those rights and privileges which they had purchased, for valuable considerations, and were maintaining, at an annual great expence; to lower, by competition, the price of British produce in the Indian markets, and to raise the price of that Indian produce, which, hitherto had constituted their investments; to expose their servants, in such stations as had not been fortified, to arbitrary imprisonment, and their property to seizure and confiscation; and, finally, to owe their safety to the employment which the Mogul and Hindoo armies found, the one, in preparing for a civil war for the Succession, when the death of Aurungzebe should vacate the Throne, the other, for resisting their Mogul masters, and to re-assert and recover their ancient independence.

X.—That

CHAP. III.

RESULTS.

X.—That the effect of these events, at home and abroad, on the English Company, was, that though they had borne down, and triumphed over the London Company's privileges, in England, by furnishing larger resources to the State, this superiority was neither calculated to introduce, nor to establish new seats of trade in India; for to the Native Powers, of every description, the distinction between the two Companies was unintelligible; and though the Agents of the English Company might be vested with, and assume higher rank, in Britain, than the Agents of the London Company had done, this rank could not be comprehended by the Native Powers and States, who could only form an opinion of the comparative merits of the competitors in trade, by the appearance of power which each possessed, or the magnitude of their purchases in the Indian markets:—that having had experience of the power of the London Company, in their fortified stations, and of the magnitude, as well as the probity of their dealings, they compared them with the prices for privileges which the servants of the English Company offered, and with the inferior goods, and stock, which they introduced into the markets; and though, for a time, the Natives hesitated, from the application for greater privileges from the Mogul, by an Ambassador, yet the delays in obtaining the Phirmaunds, rendered them doubtful of the issue, while the absurd adherence to the forms of European diplomacy, by this Ambassador, terminated, not only the pretensions to superior authority in the English, over the London Company, but had nearly ruined the existence of the trade

trade of both, and must have had this effect, had the administration of Aurungzebe been as vigorous at the close, as it was at the commencement of his reign. CHAP. III. *RESULTS.*

XI.—That when the events, which marked the progress of the competition between the two East-India Companies, became known in Britain, it was perceived, but too late, that this competition must inevitably terminate in the bankruptcy of the one, or of the other; and this consequence soon became perfectly obvious to the mercantile part of the community, who decided, that the Company, whose stock was rapidly sinking in value, and whose commercial funds could only be buoyed up, for the moment, by subscriptions, must certainly experience the same fate as their depreciated credit.

XII.—That though commercial opinions, for a time, may be influenced by specious projects, the test of experience uniformly unveils the illusion, and restores practical men to more solid decisions; for the English Company had scarcely begun to exercise their rights in England, when they discovered, from the depreciation of their stock and credit, that the popular prejudices against monopolies (out of which they had arisen) were turning against them; and, like Courten's Association, the Assada Merchants, and the Merchant Adventurers, that they could find safety, only, in a coalition with the Joint Stock of the London East-India Company.

 XIII.—That

CHAP. III.
RESULTS.

XIII.—That this public opinion, founded on experience, necessarily influenced the resolutions of the Legislature, which continued the corporate capacity of the London Company, after the expiration of the term specified in the Act establishing the English Company, and thus gave them a constitutional basis, equal in principle, if not in extent, to their opponents; an event which, at last, brought forward the Deed, or Indenture Tripartite, of 1702, which obliged the London and English Companies to accede to an Union, and thus, once more, by equalizing their stocks, restored the regulated commerce of an East-India Company.

XIV.—That though this Indenture Tripartite terminated the competition between the two Companies, it was not attended with the precautions required for speedily adjusting their opposing interests, because it allowed to each, a specified time to wind up their separate affairs, without imposing an adequate control over their proceedings:—that though the London Company, both at home and abroad, fulfilled their part of the obligation, the English Company, from the habits of Private Traders, or Interlopers, prolonged the time, at home, and, by an improvident continuance in the system of oppressing the London Company's servants, abroad, exposed them to losses, and their servants to sufferings:—that Bombay, the fortified seat of trade, was placed in imminent danger of being conquered by the more powerful Native Chiefs; and though Fort St. George protected

protected the property and the servants of the London Company, on the Coromandel Coast, and, ultimately, became an asylum to the trade and servants of both Companies, it was because the administration of it was entrusted to the predecessor of the immortal Mr. Pitt, who, like him, acted on public principles only:—and that the trade in Bengal, and the stations in Sumatra, from which, since the expulsion of the English from Java, the market had been principally supplied with pepper, were preserved, from their connexion with Fort St. George.

XV.—That the impracticability of completing the Union, while the separate interests of the two Companies were to be adjusted by themselves, led to the Act, the 6th of Queen Anne, which compelled both to appeal to the Lord High Treasurer, Godolphin, whose able Award terminated, upon fair and just terms, that competition, which plausible theories of commerce, and the improvident establishment of opposing Companies, had so unhappily begun; an Award, which took away from each, the possibility of recourse to expedients for maintaining separate interests, and, in itself, recognized, as by law it was authorized to do, all the privileges which the grants of the Crown had given to the London Company, and all the rights which the English Company had derived from an Act of Legislature, and combining both, confirmed the corporate capacity of The United Company of Merchants of England trading to the East-Indies.

XVI.—From

CHAP. III. *RESULTS.*

XVI.—From the whole of these Annals it appears, that the United Company, as recognized by the Award of Lord Godolphin, are vested with all the rights of the London and English Companies, and that they have been declared, by law, to be entitled to the Dead Stock, which the Indenture Tripartite had ascertained:—That the value of this Dead Stock was, however, at the time, estimated rather with a view to a compromise, than deduced from the actual expenditure of the London Company, in purchasing their Settlements, or in giving valuable considerations to the Native Powers, for grants of privileges, or from the annual charges for presents, and bribes, to those Sovereigns, and to their Governors, to allow them the quiet possession of their seats of trade, in the undefended Factories:—That these sums, or expenditures, constituted, also, a large part of the Dead Stock, which cannot be estimated, even by the indefinite computation of many millions, but to which the United East-India Company have an undoubted right, on the principles of the Constitution, and of the Laws of England:—That the actual value of this Dead Stock of the United Company has been encreased, by the advances which they have made to the public, by the sums paid as revenue from their commerce, and by the civil and military charges of acquiring and preserving their seats of trade; and, even at this early time, to those seats of trade must be ascribed the valuable exchanges between Britain and India, and subsequently, in a still greater proportion, the circuitous exchanges with China:—That, therefore, to whatever magnitude the Dead Stock of the United Company may, since that

that time, have been extended, it cannot be taken from them, should the Legislature, after the experience of two centuries, again give way to any similar speculations for East-India commerce, with those which have been proved to be impracticable, or to any hazardous theories of general trade, without, in justice, and in equity, giving to the United Company of Merchants of England trading to the East-Indies, a full compensation for their Dead Stock, and for the charges of acquiring and preserving those territorial possessions, which have extended the limits of the British Empire, and so largely contributed to the encrease of its navigation and commerce.

THE END.

LONDON:
Printed by Cox, Son, and Baylis,
Great Queen Street.